

Israel forced to end its search in Lebanon for kidnapped troops

From Ian Murray, Jerusalem

Israel has ended its search for two kidnapped soldiers in south Lebanon and is instead relying on political pressure and intelligence to secure their release.

After a pessimistic briefing on the chances of finding the missing soldiers, Mr Yitzhak Rabin, the Defence Minister, decided on Saturday afternoon to end the search outside Israel's designated buffer zone in south Lebanon.

The previous evening, Major General Moshe Levy, the chief of staff, announced on television that he had ordered a partial withdrawal in the face of mounting hostilities by the local Shia population. But yesterday the hostility continued and Katyusha rockets were fired into West Galilee.

The army had hoped to trap the kidnapers, with their hostages, by rapidly sealing off the search area but despite combing the countryside and scouring every building it found no trace.

Moreover, Israeli methods of rounding up thousands of villagers and interrogating them for hours was seen to be causing deep and dangerous resentment. While Israeli soldiers used sledge hammers to smash open locks and ransack cupboards, the Amal Shia militia began mobilizing men prepared to carry out suicide raids to force the invaders to leave.

Israeli intelligence also discovered that hundreds of gunmen from the Hezbollah fundamentalist group, which claimed to have kidnapped the soldiers, were pouring into the search area.

Meanwhile, the searchers were constantly coming up against UN troops frequently caught in the crossfire as militia men sniped at the Israeli convoys.

Mr Shimon Peres, the Prime Minister of Israel, yesterday congratulated the army on its "maximum control in the field" during the operation. He said it had presented an image of the army as being concerned for the life of every soldier.

If it found no trace of the kidnapers, the search did discover huge quantities of arms, ammunition and rockets, which were more than likely to have been stockpiled for future use in raids into Israel. But not all the stock-

piles were found because yesterday's rockets were fired from somewhere south of Tyre and drew an answering barrage from Israel and the South Lebanon Army, which it backed.

Of the thousands interrogated during the search, several dozen have been detained for further questioning about their links with the Hezbollah and for possible future exchange for the two kidnapped men.

Meanwhile Israel is trying to work behind the scenes to find ways of making contact with the kidnapers. The government must also reassess its policy along the northern border with Lebanon, particularly in the light of the huge arms caches found. Although political leaders have been satisfied with border security since Israel's withdrawal last June, there is now doubt whether all will remain quiet on the northern front. By maintaining its buffer zone, Israel has kept open the border to its troops and the search operation has shown the local population that no Israeli government, whatever its political leadership, will hesitate to use the zone as its own backyard.



Israeli soldiers loading weapons and equipment yesterday as they prepared to break camp in southern Lebanon after calling off the search for their two missing colleagues.

UN draft blames Iraq for war

From Zoriana Pysariwsky, New York

The UN Security Council, alarmed by the success of Iran's offensive against Iraq, has drafted a resolution which in effect blames Iraq for the start of the Gulf War, and begins to meet Iran's most sensitive and central demand for ending the conflict.

The draft, spearheaded by Britain, Denmark and Australia, and refined by the non-permanent members of the council, is meant to entice Iran

into a ceasefire and negotiated settlement. It is expected to be adopted today after a four-day council debate on the latest escalation in the Gulf War.

Although the language is diplomatic and veiled, the proposed resolution censures Iraq, even though Iranian troops are in Iraqi territory. It is not expected to please Iran entirely, but diplomats regard the initiative as a first step in a more explicit declaration at a

later stage in the council's deliberations.

As a primary condition for ending the war, Iran has called for international condemnation of Iraq as the aggressor. The draft, however, after intense Iraqi and Arab pressure, "deplores the initial act which gave rise to the conflict".

It marks a dramatic undertaking by the council which before the latest Iranian offensive seemed politically impossible.

Tehran mourns its martyrs with cries for revenge

From Robert Fisk, Tehran

The pall-bearers held the coffins over their heads at arms length. Each of the wooden boxes covered with the red, white and green flag of Iran seemed to float in the air above the crowd. There was, after all, little left of the 46 passengers of the Iranian Fokker Friendship blasted from the skies by the Iraqis last week.

There could be no mistaking the message given to the thousands of mourners — young men in parka jackets and jeans, Mullahs and Revolutionary Guards — "The blood of these martyrs will turn into bullets and lodge in the hearts of the enemy".

Rhythmically, they hammered their fists on their chests and the whole street outside the parliament building vibrated with a singular giant heart-beat. "Revenge, revenge," they shouted.

But how is that revenge to be taken when the news from the war front suggested the downing of the plane was in retaliation for the Iranian capture of the Fao Peninsula last week where they advanced on the ruined oil refinery town from three directions.

The Iraqis have admitted they have been facing four separate Iraqi counter-attacks amid the wreckage of Fao, hounding up their own spirits

with a claim that they have killed 1,000 Iraqis

Ayatollah Khomeini spoke of the downing of the Iranian passenger aircraft over Abvaz by telling the victims' families — who included not only MPs but also Sayad Hassan Shah-Cheraghi, chief editor of the Iranian daily newspaper *Kayhan* — that they had received their rewards in death. "A nation which launched a revolution for the satisfaction of divine, spiritual and humane values," he said, "has nothing to fear from the martyrdom of its dear ones."

The funeral itself prompted thousands of mourners to wear red headbands, symbolizing their readiness for martyrdom, and push aside the military guard of honour and even the cadet school's brass band and run alongside the coffins in a near-hysterical stampede.

BAGHDAD: Iraqi forces fighting to retake the southern tip of the Fao peninsula recaptured an important communications junction yesterday, according to the official Iraqi News Agency (Reuters reports).

The Iraqi agency said the central column launched seized the junction after fierce fighting that left Iranian corpses "filling the battleground."

Tempers high in Alexandria

Funeral threatens more violence

From Michael Hornsby, Johannesburg

The threat of renewed violence hangs over Alexandria as the black ghetto in northern Johannesburg plans a mass funeral for at least 23 people killed in riots and clashes with police in the east week.

Passions run high on such occasions and they frequently end in violence, bloody clashes with police and more funerals.

Meanwhile, an explosion in a telephone booth yesterday destroyed a Pretoria post office and badly damaged a neighbouring chemist shop and greengrocery. Police said no one was injured in what they believed was the work of insurgents of the outlawed African National Congress.

Senior police officials are increasingly concerned by the growing number of firearms and explosives finding their way into black townships. Until recently, the use of landmines by the ANC was confined to border areas but a guerrilla killed near East London last month had five landmines in his possession and last week one blew the rear wheel off a police armoured vehicle patrolling the outskirts of the Mamelodi township near Pretoria.

Police sources say security forces are not only facing stones and petrol bombs, fashioned from bottles and old rags, but are now coming under gunfire when they enter strife-torn townships. They believe many of the firearms are stolen from private homes or seized from murdered policemen.

A black policeman, identified as Constable M.J. Letiso, was found dead on Saturday in Soshanguve, near Pretoria. Police said he had been stoned and beaten to death.

The angry mood in Alexandria was evident on Friday when Bishop Desmond Tutu was booed and heckled by a crowd of about 40,000 as he told them of the talks he and other churchmen had had the previous day with Mr Adriaan Vlok, the Deputy Minister of Defence and Law and Order, in Cape Town.

A mob of 500 blacks yesterday left a trail of destruction in the Transvaal township of Nelspruit, 120 miles east of Pretoria.

The eastern Transvaal province has until now been barely touched by the unrest, fuelled by grievances over apartheid race laws, in which more than 1,100 people have died in the past two years.

Three members of the Commonwealth's "eminent persons" mission, set up to promote dialogue between South African blacks and whites, were questioned by police on Friday when they tried to enter Alexandria.

Mr Malcolm Fraser, former Australian Prime Minister, General Olusegun Obasanjo, former Nigerian head of state, and Dame Nita Barrow, president of the World Council of Churches, were taken to a police station and asked if they had permits to enter the townships.

Spectra, page 10

Fraser trip to whites only beach

Johannesburg — Two members of the Commonwealth "Eminent Persons Group", approaching the end of a week-long and hitherto low-profile visit to South Africa to monitor the pace of reform, went for a stroll on the beach in Port Elizabeth at the weekend. They took photographs of the "whites only" signs as heavily-armed troops and riot police looked on (Michael Hornsby writes).

Asked to comment on what they had seen, the former Australian Prime Minister, Mr Malcolm Fraser, and the former Nigerian Head of State, General Olusegun Obasanjo, held their peace. Mr Fraser waved his pipe and General Obasanjo just smiled.

King's Beach, the stretch of sand they toured, has been in the news recently because of a precedent-setting offer by the local subsidiary of the US General Motors company to support "legally and financially" any of its 30,000 black employees prosecuted for using the beach.

It is the first time a foreign firm has gone beyond verbal condemnation of apartheid and actively encouraged civil disobedience by its employees. The issue of whether to open Port Elizabeth's beaches to all races has been fiercely debated in the city council.

So far the views of the conservative faction have prevailed. A recent decision of the council's community services committee, empowering municipal officials to have blacks removed from "white" beaches, prompted GM's offer.

Seoul ends arrest of dissident

Seoul (AFP) — The leading dissident, Mr Kim Young Sam, has been freed from house arrest, but another prominent opposition figure, Mr Kim Dae Jung, was still confined to his home, opposition sources said.

Mr Kim's aides said that 200 police had left their positions around his house. Police also lifted their blockade of the opposition New Korea Democratic Party headquarters, where a meeting is due to take place today to discuss stepping up the NKDP's campaign for direct presidential elections.

Drugs charge

Middlebury, Vermont (AFP) — Mr John Zaccaro, aged 22, the student son of Mrs Geraldine Ferraro, Democratic vice-presidential candidate in 1984, has been charged with drug trafficking after being caught selling cocaine.

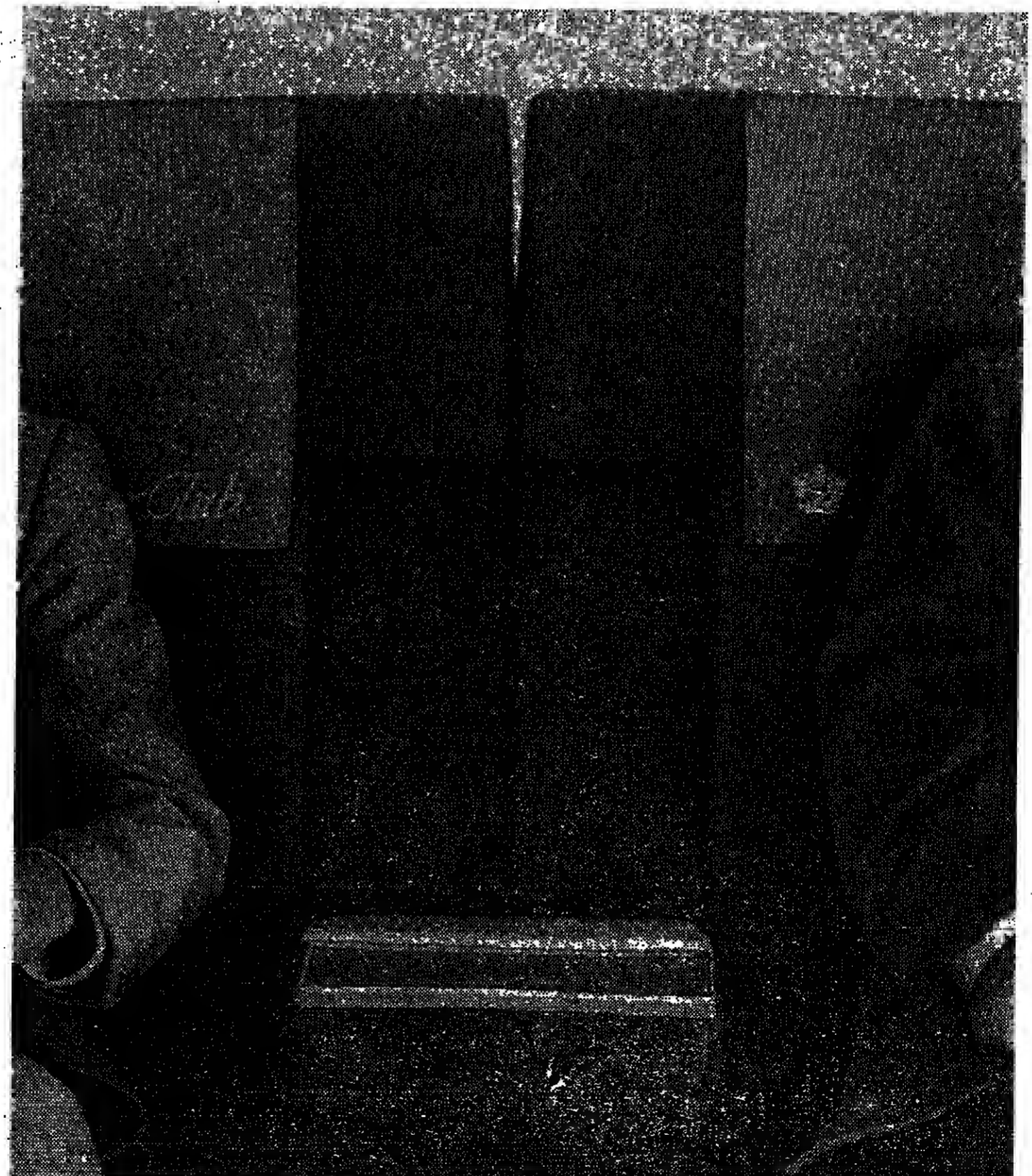
Dog saved

Columbus, Ohio (UPI) — A mongrel dog called Oden, which ruined its kidneys by drinking anti-freeze, is home again with its owner, Martha Johnson, after receiving a new kidney from a littermate in an experimental operation which cost \$12,000 (£8,300).

Fifteen drown

Delhi (Reuters) — Twelve schoolgirls and three teachers drowned when a boat capsized during a school picnic on the Mesliwa River near Shamaji in western India, the Press Trust of India reported.

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As you pull away from the kerb (don't worry, the salesman gives you directions) you notice the lightness and precision of the power steering.

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"A JAGUAR?"

Wrong again.

Against your better judgement, you start to lower your sights a bit. You did, after all, mention a price limit of £11,000.

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In the other, a pen.

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Reagan wants INF weapons dumped within three years

From Michael Binyon, Washington

President Reagan sent a letter yesterday to Mr Mikhail Gorbachov, the Soviet leader, welcoming his proposal for a ban on intermediate-range nuclear missiles in Europe, but calling also for the elimination of Soviet weapons targeted on China and Japan.

His letter, said to be positive and optimistic in tone, is a formal reply to a Soviet proposal of January 15, which outlined a plan for the gradual elimination of all nuclear weapons by the end of the century. The White House is to issue a statement within the next day or two.

While welcoming a nuclear ban by the year 2000, Mr Reagan concentrated in his letter on an INF agreement, an area where progress looks most promising.

He called for removal of intermediate-range weapons in Europe within three years. But to allay concern expressed to Mr Edward Roway, a US arms control adviser who recently discussed the plan with Asian countries, Mr Reagan insisted SS20 missiles must be scrapped in Asia.

As one option, the President suggested limiting SS20 deployment to Soviet Central Asia and allowing the US to keep an equal number of intermediate missiles in the US. But after three years both sides would have to get rid of these missiles as well.

Mr Reagan, who also sent Mr Paul Nitze, his senior arms control adviser, to Europe to sound out allied opinion, proposed a reduction of intermediate weapons in Europe to 140 within a year, with proportional reductions in Asia. The number would then be halved and dropped to zero.

Another option would be to reduce the numbers straight down to zero in three years on a global basis.

On the British and French nuclear weapons, which Mr Gorbachov says should not be modernized, the US position is that it is up to those two countries to negotiate separately with Moscow. He reject-

ed Mr Gorbachov's proposal that the US should not supply missiles to its allies.

According to Administration officials, Mr Reagan told the Soviet leader that his plan to make the world nuclear-free was a positive gesture but nuclear weaponry must be reduced one step at a time.

● Nato fears: President Reagan, in his reply to Mr Gorbachov, is firmly rejecting the Soviet proposal to freeze British and French nuclear forces at existing levels and ban the transfer of US Trident missiles to Britain in exchange for an agreement on scrapping all Soviet and American Euro-missiles (Nicholas Ashford writes).

The US's Nato allies are waiting anxiously to hear the precise form of the American response. In particular, they want to know what level of reduction in the number of medium-range missiles Mr Reagan will propose in response to the challenge made by Mr Gorbachov that they should all be scrapped.

The Soviet offer has raised fears among the US's allies — which Washington has been unable to lay to rest completely — that the US could be tempted into reaching an agreement which would leave them militarily vulnerable.

Some European countries felt that the removal of all Pershing 2 and cruise missiles from Europe would not only leave Nato vulnerable to the conventional superiority of Warsaw Pact countries but would weaken the transatlantic link between the US and its European allies.

Britain and France were concerned that they would feel very exposed if the question of their nuclear forces appeared to be the only thing blocking an agreement on medium-range missiles.

Both countries have plans to modernize their nuclear deterrents. In Britain's case the purchase of Trident would increase by eight times the number of its nuclear war-



The American entertainer, Danny Kaye, proudly displaying his Legion d'Honneur after receiving the decoration in Paris

Inquiry explodes Nasa's credibility

From Our Own Correspondent, Washington

The inquiry into the cause of the shuttle Challenger disaster has shocked America almost as profoundly as the explosion itself.

Almost daily during the past week, the inquiry has embarrassingly and incriminatingly revealed not simply a failure of technology but a massive failure of the entire organization.

The once vaunted National Aeronautics and Space Administration (Nasa) now virtually stands accused of culpable negligence.

Far from stemming a haemorrhage of confidence, the Rogers Commission has opened wounds through which the credibility of Nasa drains rapidly. Its revelations are far more damaging than any trouble with the O-ring seals of the booster rockets. They have not only undermined public and political support but, more seriously, have led to public questions

for each launch was reversed. But the main accusation to come from the testimonies is that Nasa's information flow was so clogged that senior management was not informed of those safety worries — worries that had been nagging for three years — why were the rocket seals burning?

The commission, apparently shocked by testimony heard in closed sessions, has already concluded that the decision making process "may have been flawed". It has also barred all those involved in the launch from taking part in the investigation.

The senate investigating panel has been equally shocked by the apparent reluctance of Nasa officials to go against their better judgment and the long-standing rule that a safety case had to be made

space shuttle programme in temporary suspension after the explosion of Challenger. Ariane's success can only increase its share of the huge satellite launch market.

Ariane goes into perfect orbit

Kourou, French Guiana

(AP) - The European Space Agency reported that two satellites launched by the Ariane booster were in perfect north-south orbit. With the US

Ozal arrives home to union protest

From Razi Gurdliek, Ankara

Mr Turgut Ozal, the Turkish Prime Minister, who boasted of dazzling economic successes and a restoration of democracy during his official visit to Britain last week, came home to a strong protest by workers who denounced their "ruthless exploitation" and heavy curtailment of union rights.

Some 30,000 people turned out in Izmir for a "bread, peace, freedom rally" on Sat-

urday in the first such mass demonstration since the 1980 military coup. It was organized by the once-dominant Turkish Trade Unions Confederation, the country's biggest labour confederation, with about a million members.

Falling living standards due to high inflation, to which workers feel they are particularly exposed in view of restrictive labour legislation,

was the main theme of speeches at the rally, which was closely watched by police.

The head of the union confederation, Mr Sevket Yilmaz, mocked government claims that workers were more prosperous.

The militancy of the confederation, which advocates non-political, "supra-party unionism", is in sharp contrast to its low profile under the military regime.

Brazil grants Haiti police chief asylum

Port-au-Prince (AFP) — The former head of Haiti's notorious political police, Colonel Albert Pierre, has been given political asylum in Brazil after hiding in his embassy here.

A reliable source said asylum was also given to his wife, Mr Gener Cotin, a former colleague, and Mr Edner Pageotte Andre, a former parliamentary deputy.

Spaniards march against alliance

From Richard Wigg, Madrid

Hundreds of thousands of Spaniards took to the streets of Madrid yesterday to demonstrate against remaining in Nato, as the Government of Señor Felipe González prepared to launch its campaign for a "yes" verdict on membership in the March 12 referendum.

The demonstrators have the wind in their sails, with two public opinion polls released at the weekend showing majorities in favour of leaving Nato, especially among young people.

In an obvious bid to prevent the anti-Nato demonstration dominating the headlines, four ministers addressed rallies in working-class suburbs of the capital. They were not well attended.

Señor Francisco Fernández Ordóñez, the Foreign Minister, insisted that peace is best defended inside the alliance.

Speaking at the rally, Professor E.P. Thompson, the British historian, told Spaniards that they would be doing a service by withdrawing from Nato.

Señor González is seeking to persuade Spaniards that by saying "yes" to staying in the alliance they would reinforce the "European pillar", while quitting Nato would leave Spain alone in its bilateral relationship with the US.

The most discouraging poll result for the Government came from the organization it customarily uses. A fortnight ago its poll gave a small majority in favour of staying in Nato, but the latest survey shows 51 per cent against and only 27 per cent remaining in the alliance.

Dead spy left letter for wife

Washington — Mr Larry Wu-tai Chin, the former Central Intelligence Agency analyst convicted of spying for China for 30 years, killed himself in his prison cell on Friday by tying a plastic bag over his head, a post-mortem examination confirmed (Michael Binyon writes).

Medical examiners found that Chin, aged 63, died of asphyxiation. A sealed letter to his wife that he posted in prison will be translated and screened for possible security information. The authorities are also investigating why he was left unsupervised.

Chin had been convicted and was due to be sentenced on March 17.

Bhutto 'tortured to death'

From Hasan Akhtar, Islamabad

Mr Tikka Khan, a former army chief and secretary general of the Pakistan People's Party, is trying to gather evidence to prove that Zulfikar Ali Bhutto, the former Prime Minister, was actually tortured to death.

He said yesterday he was convinced that Bhutto, who was sentenced to hang, was carried to the scaffold at Rawalpindi jail already dead. But he believed it would be very difficult to collect evidence which could stand the test of judicial reliability after a lapse of so many years.

He added that it had been the consistent demand of the Pakistan People's Party leadership that facts relating to Bhutto's detention and death should be verified. Bhutto was in jail for a year and a half during his trial on a political murder charge.

Meanwhile, President Zia has said he had no intention of joining the ruling Pakistan Muslim League party.

General Zia made the statement in Sibi, Baluchistan, on Saturday.

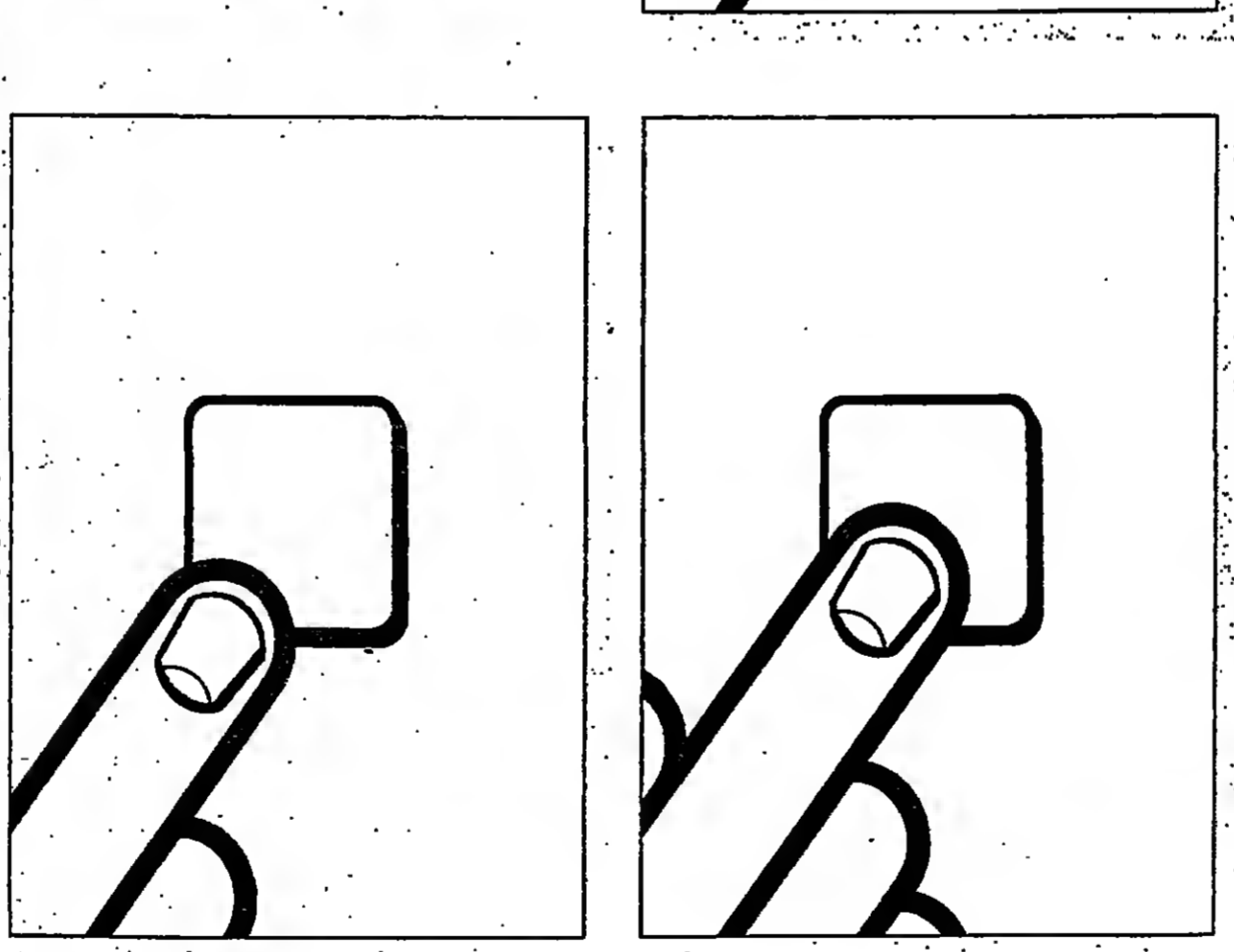
The opposition in the National Assembly has said that under the constitution General Zia could not hold the offices of President and army chief simultaneously.

Reagan picks new White House counsel

Washington (UPI) — Mr Peter J. Wallison, aged 44, a Washington lawyer and former counsel to Vice-President Nelson Rockefeller, will succeed Mr Fred Fielding as the White House counsel, President Reagan announced on Friday.

In another announcement, President Reagan said he was nominating Mr Ronald Lauder, former chairman of Estée Lauder International, to be ambassador to Austria.

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MINOLTA

Philippines crisis: 3,000 arrests planned Washington takes sides Men behind challenge

Marcos is accused of making hit list to liquidate opposition

From David Watts, Manila

The Times learnt on Friday afternoon that the Government was planning the arrest of some 3,000 opposition supporters.

Both repudiated Mr Marcos and pledged themselves to die, if necessary, in a last stand in defence of the will of the people.

Close to tears, General Ramos told a press conference: "I am calling on the people of the world to help us restore democracy, justice, freedom and democracy in this land."

Son accused

Arnel Salvatierra, aged 17, is expected to be arrested and charged today with the murder of his father, Mr Oscar Salvatierra - a top executive of an anti-Marcos Filipino newspaper.

During the press conference a helicopter loaded with arms and supplies for the men holed up in the ministry.

Mr Enrile told the press conference: "I am asking my fellow Cabinet ministers who are decent to get out of the Government and not support an illegitimate regime."



Manila citizens surrounding tanks that had been heading under orders for the military complex held by anti-Marcos rebels.

The Pope prays for bloodless solution

Rome (AP) - The Pope yesterday prayed for a just and bloodless solution to the crisis. About 1,000 Filipinos - many of them carrying yellow banners, the colour of opposition leader Mrs Corason Aquino - bearded the Pope from his window on St Peter's Square.

An unlikely duo driven to desperate measures

Manila - Mr Juan Ponce Enrile, the Philippines Defence Minister, and Lieutenant-General Fidel Ramos, chief of the national police, were isolated yesterday in Manila's police headquarters with relatively few loyal troops to protect them.



Mrs Corason Aquino and Senator Salvador Laurel greeting 20,000 supporters in Cebu City.

Philippines, he has been part of the system for the power that it engenders as well as for the contribution that he may be making to the state.

General Ramos, like Mr Enrile, is a founder member of the Military Reform Movement, which has been trying to persuade Mr Marcos to stop

the steady slide in the quality of the military, now so top-heavy with relatives and friends of the Marcos family and so riven with factionalism and corruption that the campaign against the communist New People's Army is being hampered.

White House gives open backing to the rebels

From Michael Binyon, Washington

The White House gave open support to the Philippines Defence Minister and the acting Chief of Staff in their rebellion against President Marcos, moving closer than ever before to calling directly on him to resign.

With Mr Philip Habib, the US special envoy to the Philippines, who returned here on Saturday, President Reagan approved a statement endorsing the opposition declaration that "the mandate of the people does not belong to the regime."

the country if Mr Marcos tries to arrest her. Mr Stephen Solarz, chairman of the House sub-committee on Asian and Pacific affairs and a leading congressional opponent of Mr Marcos, criticized the White House statement as being too vague.

AIR CANADA advertisement featuring the text 'AIR CANADA HAVE JUST WON THE PRESTIGIOUS AIR TRANSPORT WORLD PASSENGER SERVICE AWARD FOR 1985' and a long list of airlines that have been beaten.

SPECTRUM

Curtain up on a new French revolution

The next general election will probably be one of the most important in France for more than a quarter of a century. March 16, polling day, will almost certainly be a turning point in modern French history. For the first time under the Fifth Republic, France is likely to have a government whose political hue is opposed to that of its President. Some fear that this will cause a constitutional crisis. Yet rarely has an election campaign (carried on unofficially for the past couple of months) been so lacklustre.

France's election campaign starts today — and for the first time in recent history, a president may have to share power with his political enemies

One reason for the lack of excitement is the dearth of new ideas among the main political parties, combined with the general public's widespread scepticism that any party will find a solution for the problem that concerns them most — unemployment. Almost 2.4 million people are now unemployed, 600,000 more than in 1981 when the Socialists came to power promising to reduce their number.

The party manifestos are very similar

The most striking thing about the manifestos of the two major political formations — the Socialists on the left and the Alliance of the Gaullist Rassemblement Pour La République (RPR) and the Union Pour La Démocratie Française (UDF) on the right — is their similarity.

There is no doubt that the Socialists have shifted to the right since they came to power, but the right has also shifted to the centre, largely in reaction to the emergence of the National Front on the extreme right. Of course there are differences. The right wants to denationalize the banks, insurance companies, and large industrial groups, nationalized by the Socialists. It wants to cut taxes, particularly for business and the highest-paid, by some 40 billion francs (£4 billion) a year, abolish the wealth tax imposed by the Socialists and to move faster than the left in liberalizing the economy.

On the other hand, it has undertaken to keep the Socialists' main social reforms, which it initially vehemently opposed: the fifth paid week's holiday, retirement at 60, and improvements in family benefits, social security payments, and pensions. It has agreed to keep the guaranteed minimum wage. It has no plans to reintroduce the death penalty, abolished by the Socialists, and it approves of Socialist attempts to find as many alternatives to prison as

possible. It has apparently dropped plans to expel unemployed immigrants and to stop supplementary family benefits for non-French families. Both sides seem to concentrate on criticizing one another and speculating on political life after March 16. The most likely outcome is considered to be one in which Jacques Chirac, as leader of the RPR, the biggest party in the new parliament, is called upon to form a coalition with the UDF. But the President would be under no obligation to choose Chirac. He may prefer a right-wing moderate, or a Socialist, but whoever it was must be able to win a majority in the national assembly.

Even if the two main opposition parties won an absolute majority and M Chirac was appointed prime minister, it is by no means clear what would happen. Supporters of Raymond Barre may refuse to back the government, in which case new elections would have to be called. Or the new government may clash with the President on some vital issue, bringing administration to a standstill and forcing a new election. Thanks to proportional representation, this could result in a parliament of similar complexity and political stalemate.

The president could, of course, resign. But he has no desire to go down in history as the first president to be forced out of office. And Chirac has a vested interest in working with Mitterrand — he wants to use the office of prime minister to build up his prestige for the 1988 presidential election and the fight against his most dangerous rival, Raymond Barre.

The campaign posters have echoed the dearth of real issues. Immigration was expected to be one but the debate has somehow never quite got off the ground. The National Front, which has made immigration its top campaign issue, appears to have been losing support recently.

Another reason for the lack of excitement lies in the new system of proportional representation, to be used for the first time in the election. Instead of a straight fight between individual candidates in single constituencies, French voters will now be asked to choose between different lists of candidates put forward by the various parties in each of the 105 departments and overseas territories of the Republic.

The deputies will be elected in accordance with the proportion of votes obtained by their list, their position on that list, and the number of seats allocated to their department. Thus a candidate in third place on a list in a four-seat department knows that his list will have to get about 75 per cent of the vote.

Under the new system, results can be predicted with much greater accuracy than in the past. Not only can it already be guaranteed — barring some major cataclysm — that the Socialists will lose their present majority in the National Assembly, but the names of as many as 448 of the 577 deputies in the new assembly can already be given.

Some critics had feared that the new voting system would lead to a proliferation of small parties, but in fact the opposite is likely to happen. More than half the departments have four or fewer seats, which means that a party must get at least 25 per cent of the vote in order to get a single candidate elected in those departments. That is more than twice the predicted national score of either the National Front or the Communist Party.

Small parties could be nearly wiped out

In only two departments, the Nord and Paris, are there a sufficient number of seats (20 or more) for a party with only 5 per cent of the vote to stand a chance of winning a seat. The little parties are likely to be virtually annihilated.

It has been estimated that a party or alliance would need about 43 per cent of the total national vote to win the 289 seats needed to form an absolute majority in the new parliament. The UDF-RPR alliance currently scores between 43 and 46 per cent in the opinion polls. It has ruled out any question of a pact with the National Front, and has said it will not form a government unless it wins an absolute majority.

The Socialists, who know they have no chance of increasing their present score of 28-31 per cent to win an absolute majority, say they are prepared to form a minority government. Some, indeed, say it should be their right to do so if they remain the largest single party in Parliament, which is possible. The Socialists have not totally ruled out a future alliance with the Communists, but say it is out of the question at present. The Communists agree. So the Socialists are blithely talking of attracting a sufficient number of individual moderates to give them the support they need to form a viable government. Quite where these individuals will come from, no one knows.

Diana Geddes

Jacques Chirac

Aged 53. Mayor of Paris. Leader of the Gaullist RPR Party. Prime minister under Giscard d'Estaing. Flamboyant, dynamic, a product of the Ecole Nationale d'Administration (ENA), but someone who often gives the impression of speaking before he thinks. Has a large and loyal personal following, but is not a good television performer. Most likely candidate as next prime minister. Has an interest in making "cubistism" with Mitterrand work if only to do down his major rival, Raymond Barre.

RPR

Created by Jacques Chirac in 1976 out of the former Gaullist Union des Démocrates pour la République. A right-wing populist party representing a broad cross-section of society. The largest, most disciplined, and best organized of the opposition parties. Has 62 seats in the National Assembly, but is expected to share up to 309 seats with the UDF. President: Jacques Chirac. General Secretary: Jacques Toubon.

Georges Marchais

Aged 65. He has been secretary of the French Communist Party since 1972 and deputy for Val-de-Marne since 1973. In 1974 and 1981 he was an unsuccessful presidential candidate. In behind-the-scenes battles he has beaten off several attempts by the rank-and-file to remove him as party leader and replace him with someone younger, brighter, more modern and attractive. Knows how to work the party machine and play moderates off against hard-liners. He is a survivor and a fighter, but has lost much of the pugacity and sparkle that made him a popular television figure in the 1981 election campaign.

COMMUNIST

Founded in 1920. Reigning as the largest left-wing party in France for more than 40 years, consistently getting between 20 and 25 per cent of the vote. They are now credited with only about 11 per cent of voting intentions. An attempt by members with Euro-Communist sympathies to reform and modernize the party after its severe setback in the European Parliament elections in 1984 failed. First Secretary Georges Marchais and the pro-Moscow hardliners still hold sway, although they have learnt to moderate their tone over the years. The party is vehemently opposed to "flexible" work patterns. Wants re-education in working week and time off for vocational retraining without loss of pay. Increase income tax for the wealthiest, and double wealth tax. Progressive reduction of retirement age with priority for blue-collar workers. Increase all state benefits, with a guaranteed minimum of 7,500 francs (£250) a month for all pensioned. Stop influx of immigrants, but improve conditions of those already here. Possible vote for immigrants in local elections. Fight crime by fighting poverty. Retain French nuclear force, but promote progressive world disarmament. No to "Star Wars". No to European defence. No to military integration into Nato.

Raymond Barre

Aged 61. Prime minister under Giscard d'Estaing. Deputy for the Rhône, affiliated to the UDF group in the National Assembly. Considered one of the three main opposition leaders, although he has consistently refused to take over the leadership of any party and has declined to form his own. Aloof, ironic, and highly intelligent, this round former professor of economics has managed to leap from the very bottom of the popularity stakes in the opinion polls to the very top. He refuses to contemplate "cubistism" between a right-wing government and a left-wing president. He insists that the President should be forced to resign by the new right-wing parliament. Otherwise he feels there will be constitutional chaos. He has said he will support a censure motion against any right-wing government which tries to govern with President Mitterrand. However, it is not clear how many of his supporters, expected to number as many as 100 in the new parliament, would follow suit. A certain presidential candidate.

RPR-UDF MANIFESTO

Lift all remaining price controls immediately, and lift other restrictive economic controls as soon as possible. Denationalize progressively over the next five years the banks, insurance companies and large industrial groups nationalized by the Socialists. In the long term, denationalize all competitive public companies. Privatize two of the three state television channels. Cut taxes and levies by 40 billion francs (£4 billion) a year. Abolish

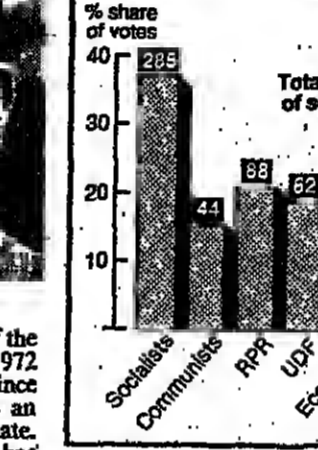
Valéry Giscard d'Estaing

Aged 60. President of France 1974-1981. Deputy for the Puy du Dôme since 1984. Sits with UDF group in parliament, but has no real party of his own. No longer has much influence either with UDF or the country. Is nevertheless considered one of the three main opposition leaders and still listened to with respect. Remains a possible candidate for the presidential elections in 1988, though his chances are thought slim. An ascetic, cold, brilliant man who has never managed to touch the hearts of the people.

UDF

Loose federation of parties formed in 1978, ranging from the centre to the far right, including the Centre des Démocrates Sociaux (CDS) and the Gaullist Parti Républicain (PR). Highly volatile, divided in its allegiance, and without any clear leader. Most outgoing CDS deputies and a number of PR deputies support Raymond Barre, but he has consistently refused to take leadership of a party. Former President Giscard d'Estaing, once the leading light in the UDF, no longer carries much weight. The President of the UDF, Jean Lecanuet, although a former minister, has had little impact or influence. François Léotard, the young general secretary of PR, is emerging as a national figure.

Result 1981



Forecast 1986*



François Mitterrand

Aged 69. President of France since 1981. Former first secretary of the Socialist Party. As President, he claims he no longer belongs to any party, but has been campaigning hard for the Socialists. His personal involvement could, however, mean greater pressure on him to resign in the event of a severe Socialist defeat. He insists, however, that he has been

SOCCIALIST

directly elected by the people and means to serve his full seven-year term. He gives no hint of how he will behave if confronted by a right-wing government, only that he will remain "inert". His popularity, which hit a record low for any Fifth Republic president, has been steadily rising. Has a reputation for being dangerous when his back is up against a wall.

NATIONAL FRONT

Founded in 1972 by Jean-Marie Le Pen, now party president. Obtained less than 2 per cent of the vote until the rise in racism in France at the time of the 1983 economic crisis. In the 1984 European elections got 10.9 per cent of the vote, almost level with the Communists. Manifesto promises to abolish all restraints on the economy, reduce union power and promote individual contracts between employer and employee. Progressively replace income tax by indirect taxation. Replace state social security system as far as possible by private insurance schemes. Give priority of jobs to French nationals. Expel immigrants who lose their jobs or who are found guilty of crimes. No family and social security benefits for immigrants. No automatic French nationality for those from France's former North African colonies. Bring back death penalty. Stricter discipline in prisons. No remission on prison sentences. Increase spending on national and civil defence. Abolish conscription.

Disabled needn't mean helpless

It's astonishing, how quite a simple aid can often free a disabled person from dependence on others and allow them to lead an active, independent, fuller life.

Dressing with one hand (even tying a shoelace) can be made quite easy. People with impaired speech and movement can communicate readily, or summon help, without making a sound. Countless aids, some simple, some hi-tech, are helping disabled people to move, hear, see, cook, work and play — living a normal life — in ways they had never dreamed possible. And all because the Disabled Living Foundation is seeking out ways to help them and is passing this information on.

Please help to keep this vital service going. Your donation, or your legacy, will mean a fuller life for so many people.

And if you are disabled, or know someone else who is, it could be worth getting in touch with the Foundation to see what aids may be available. It could be a new beginning!

Disabled Living Foundation Practical help in daily living for all disabled people Room 150, 380/384 Harrow Road, London W9 2HU. Tel. 01-289 6111.

Still life in the old dog

Emerging from a pill strewn lost weekend of 14 years' duration, the pop humorist Vivian Stanshall (right) is getting back to abnormal



able and anxious workaholic, and one day in 1971 I collapsed on the floor and woke up to find I'd been prescribed pills to calm me down. At first it was 30 milligrams a day, but within a short time I found I could not function without them. At the time I wholly believed in doctors and by 1976 I was taking between 200 and 300 milligrams of Valium and Librium a day. Then I'd have the booze to accelerate the effect of the pills. In the early 1980s, Stanshall was living on a boat in Chertsey with his second wife, Pamela Longfellow, a tough part-Indo Californian, who had some success in getting him to work again. But

benzodiazepam, all the tranquilizers, there's virtually nothing. Stanshall is active in a local Pills Anonymous group, where he gives invaluable advice to others (mainly young housewives) who are trying to give up these pills. At Christmas, Stanshall demonstrated his recovery with a remarkable musical he wrote and directed at the Old Profanity Showboat, called *Stingfoot*. A bizarre comic opera on the theme of regeneration, which ranged from an oracular ventriloquist's dummy and a giant squid to a party cooked shrimp and a feisty tomat. It proved that the creator of that saga of aristocratic lunacy *Rawlinson End* (where the family crest is *Omae blaco* and dinner is followed by billiards on horse-back) is back on form. His next project is to record *Omnes blaco* and then write a series of children's books. After that? He might do a book about something he is well qualified to write about — the dangers of tranquilizers.

Richard Gilbert

CONCISE CROSSWORD (NO 883)

CROSSWORD puzzle grid with clues. ACROSS: 1 Feet (5), 4 Canvas (7), 8 Pictorial story (5), 9 Padded seat (7), 10 Road barrier (8), 11 Bone (4), 12 Rough (11), 17 Bond (4), 18 Baker's dozen (8), 21 Strict moralist (7), 22 Maggot (5), 23 Not active (7), 24 Turn aside (5). DOWN: 1 Tidy (6), 2 Nomad (5), 3 Chopper airport (8), 4 Securities market (-5,8), 5 Great deal (4), 6 Dease (7), 7 Twist confusingly (6), 12 Rain canopy (8), 14 Egyptian power (7), 15 Lash (4,2), 16 Unimpaired (6), 19 Ward (5), 20 Needle case (4).

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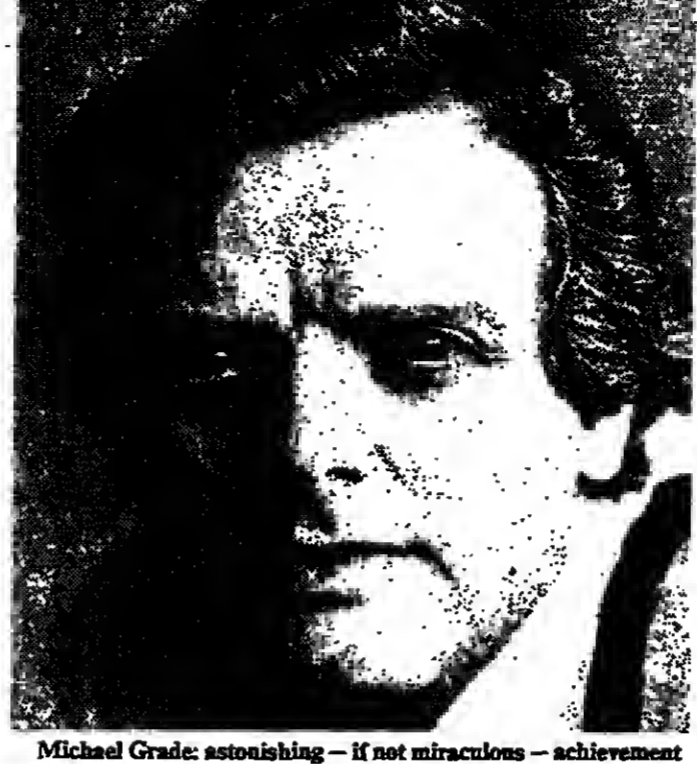
THE ARTS

Andrew Rissik reviews the weekend's television and, a year on from EastEnders, Mark Lawson assesses the impact of Michael Grade

Shrewd aim at the toughest targets

On BBC1, the channel controlled by Mr Michael Grade, there has recently been a series called The Marriage...

figures for EastEnders (it has the advantage, unlike its ITV rivals, of a weekend repeat) but it is, for me, considerably better written and more obviously tailored to the Eighties than Coronation Street...



Michael Grade: astonishing - if not miraculous - achievement

which he was expected to jettison. Panorama, trimmed by 10 minutes and moved to after the main evening news, was seen as a victim of Grade's philistinism...

Concert Music on the boil

BBCSO/Eötvös BBC Maida Vale

Music enterprise from the BBC is not exactly news, but this season's crop of Invitation Concerts is proving something special.

insists on being interpreted. After a first movement notable for grasping gestures from the composer/soloist, low strings and percussion, the second is a homage to Beethoven...

No more than La Mer is it a picture drawn from nature; indeed its ferocity, its clamour of notes over a wide register, often boiling at the top with trumpets, and its finally independent clarinet solo all seem purely musical phenomena...

Paul Griffiths

Opera Madam Butterfly

Coliseum

Graham Vick's much-admired production has a new butterfly for this revival: the Polish soprano Magdalena Falender, making her English National Opera debut.

—burly, crass and desperately short of moral fibre - and his direct, ingenious vocal manner is potentially ideal for the part. The other roles are also strongly sung.

Richard Morrison

Richard Eyre's superb new film The Insurance Man (BBC, yesterday) gives us a script by Alan Bennett in which Franz Kafka is a leading secondary character.

Simon Banner reports from Paris on the National Theatre's contribution to the Théâtre de l'Europe season

The trick of being calmly nervous

Enter Tom Stoppard stage right, stepping into the murky, green light, and pacing the stage carefully as if to measure it.



Total panic - or maybe not: Ian McKellen as the Hound

Conscious of what is expected of it, Ian McKellen believes the company to be "calmly nervous".

Dance Radiant Fonteyn

The Sleeping Beauty Miami Beach, Florida

Dame Margot Fonteyn's flying visit to Miami Beach to appear with the Sadler's Wells Royal Ballet in The Sleeping Beauty was no ordinary dance occasion.

Peter Wright's recent staging of The Sleeping Beauty replaces Messel's fantasy with the more sombre finery of Philip Prowse.

Royal Ballet Covent Garden

I can never understand why a company as steeped in tradition as the Royal Ballet lacks sense of occasion.

Rock

Feargal Sharkey Hammersmith Odeon

Who would have predicted when young Feargal Sharkey was still singing with the evergreen Underdogs that he would one day turn out to be such a suave musical sophisticate?

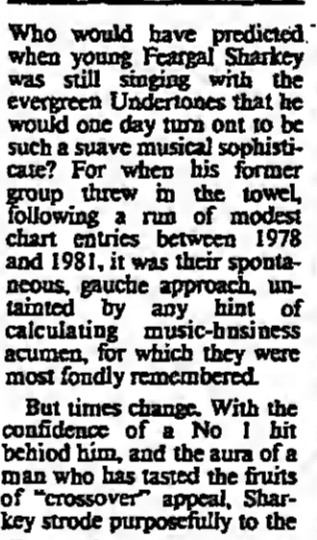
But times change. With the confidence of a No 1 hit behind him, and the aura of a man who has tasted the fruits of "crossover" appeal, Sharkey strode purposefully to the microphone.

Clive Barnes

First World War trenches where men stand or rest anxious and waiting for the next attack.

Rock

How much more efficient is Everest double-glazing?



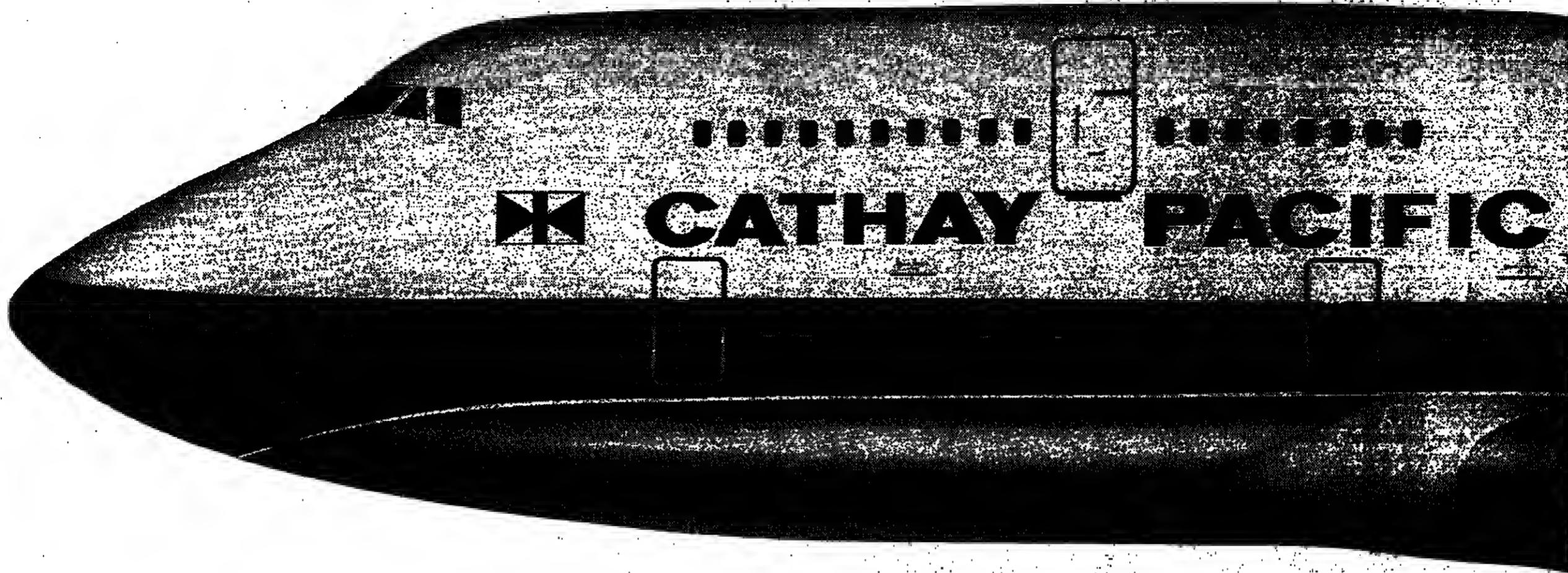
The answer is almost half as much again as ordinary double-glazing. That's because all Everest Sealed Units are now fitted with energy-saving Solarplus glass as standard.

Advertisement for Cornwall, featuring a map and text about the temperature in Cornwall today being 82°F.

Advertisement for Everest double-glazing, featuring a portrait of Clive Barnes and text about energy-saving Solarplus glass.

Advertisement for Everest double-glazing, featuring a form for requesting a coupon and contact information.

A better shape to arrive in.



Today, Cathay Pacific are particularly pleased to announce the departure of flight CX200 to Hong Kong. Because the plane waiting at Gate 13 is our new Boeing 747-300—the most modern, the most spacious and the most luxurious plane on the London-Hong Kong route.

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FINANCE AND INDUSTRY

US NOTEBOOK

Dangers in Volcker policy

From Maxwell Newton, New York
Mr Paul Volcker, chairman of the Federal Reserve Board, in his evidence to Congress, has made it clear that he intends to protect the dollar. It had fallen far enough, he said. Let us be clear about this — say move by a central bank to protect the value of its currency must involve a restrictive monetary policy in the domestic economy. There is no other means for a central bank to "protect" its currency.

Exco in £1bn merger talks with Morgan Grenfell

By Graham Searjeant, Financial Editor

Morgan Grenfell, the most important merchant bank remaining in private hands, is having exploratory talks with Exco, the financial conglomerate, which "may or may not lead to a merger", the bank confirmed last night. If approved by shareholders and the Bank of England, the merger would create a group capitalised at about £1 billion with a strong position in banking and corporate finance, stockbroking, gilt-edged dealing and money and currency broking.



Christopher Reeves: "Exco made the first move"

His colleague Mr Alan Ng, in London for an Exco board meeting to discuss the deal. Mr Ng said yesterday that the concept of the merger was interesting but that they awaited the financial details. "The important thing is whether it is in the interests of Exco shareholders," he said.

The Bank of England may, however, be the biggest stumbling block. Under the so-called O'Brien letter, promulgated in the early seventies, the Bank insists that a bank should not own more than 10 per cent of a money broker. Money broking is Exco's biggest business although it also owns the WICO Far East stockbroking business.

Preliminary talks have been held at the Bank of England but the Bank confirmed yesterday that the separation doctrine still stands at the request of the market. Mr Reeves said yesterday that Morgan did only 0.07 per cent of its business with Exco.

Efficiency of BA criticized

By Edward Townsend, Industrial Correspondent

British Airways' improved profitability may be financially attractive to the Government in the run-up to the airline's privatisation, but it is not necessarily indicative of improved efficiency, according to the Institute for Fiscal Studies.

The institute says in its quarterly journal that BA's improved performance is primarily based on the substantial reductions in its labour force from 56,000 in 1980 to 36,000 in 1984. "This does not necessarily imply an equally dramatic increase in productivity, because of the possibility of substituting other factors of production for labour, of increasing the contracting out of work, and of changing the output mix."

New chief for tax board

Sir Lawrence Airey, the chairman of the Board of Inland Revenue, is to retire at the end of June after six years as Britain's top taxman. Sir Lawrence will be 60 next month. He will be succeeded by Mr Anthony Battishill, aged 48, who is a deputy chairman.

Mr Battishill, a graduate of the London School of Economics, has divided his civil service career between the Inland Revenue and the Treasury.

New deal could end tin crisis

By Michael Prest, Financial Correspondent

Agreement to end the tin crisis, which is about to enter its fifth month, could be reached this week after intensive discussions over the weekend produced an outline settlement which will be put to banks, brokers and International Tin Council members today.

ITC and bank sources said that the proposed deal is very close to the original Newco plan put forward just before Christmas by Mr Peter Graham, senior deputy chairman of Standard Chartered Bank, and Mr Ralph Kestevenham, managing director of the broker Gerald Metcalfe.

If a deal is signed this week, tin trading on the London Metal Exchange should resume by the middle of next month. March 17 is a possible date.

The outline deal was reached at a summit on Saturday after 10 hours of negotiations between the ITC and representatives of its creditor banks and brokers. ITC and bank sources admitted that minds had been concentrated by fears that the weak tin price could undermine the economics of Newco.

Under the plan a company, at the moment called Newco, will take over all the ITC's obligations and the stocks, amounting to 85,000 tonnes of tin currently valued at £500 million. In return the ITC will be relieved of its debts and its tin buffer stock operation will cease.

The council's gross debts are £900 million.

SEC acts to end bid rumours

From Bailey Morris, Washington

The US Securities and Exchange Commission, alarmed by the dramatic shift in the share prices of large companies, has launched an investigation to prevent stock manipulators planting illegal rumours on Wall Street.

Over the past year, when markets have been booming and corporate takeover activity has risen sharply, company after company has fallen victim to a series of carefully planted rumours which have earned large profits for a small group of big investors, the SEC said.

The case of Pennzoil, the oil firm involved in a multi-million dollar legal dispute with Texaco, was cited by the SEC in the first public hearing on the problem.

On January 7, following a news wire report that Texaco had offered to buy the company for \$100 a share, Pennzoil's stock took off, rising from \$63.37 to \$83 a share. Speculators who had bought options on the stock, which jumped from \$37.50 to \$102.5, made a profit of almost 3000 per cent.

But the next day, when both companies denied the rumour, Pennzoil's price dropped from a high of \$91 to \$74.50 at the close and the option price for 100 Pennzoil shares at \$75 a share plummeted to \$40.

The SEC is investigating the incident to determine who started the rumour and who profited.

The Pennzoil episode is apparently not an isolated case. In one frantic fortnight last year, 20 companies were falsely rumoured to be taken over, according to Mr Gary Lynch, the SEC's chief enforcement director.

But the SEC will find it difficult to stop the practice. For example, officials from the big exchanges and from Wall Street firms met in Washington last week but could not agree on the definition of an illegal rumour.

ORDINARY SHARES

Iran plea on oil output

In the first sign of a split in the ranks of the Organization of Exporting Countries over the fall in the oil price, Iran's oil minister, Mr Ghobadireza Azadinejad, has called for a temporary halt to oil production — for two weeks or more — to be followed by a coordinated cut in production by the 13-member cartel.

In remarks quoted by the Iranian news agency, Iran, he said that if there were no serious measures to limit output, an uncontrollable crisis would be created.

Spot crude oil prices fell to \$13.50 a barrel on the New York Mercantile Exchange on Saturday, the lowest since 1978.

Other changes in market share stem from shifts in customer requirements. Increasing real wealth among those in employment has led to a demand for broader ranges of more attractively-presented products, with comparative prices becoming less of a factor.

Convenience is becoming even more important, particularly with the increasing number of women at work, and long-term outlook for market share depends mainly on location and size of store and the availability of car parking. Thus, despite Asda's recent trading difficulties, its buying power and excellent site portfolio should help to ensure a good recovery in the longer term.

The rapid growth in the frozen food market over the past 10 years owes much to this increasing emphasis on convenience, and has been given a significant lift by the success of microwave ovens.

Japanese criticized over whisky

The Scotch whisky industry will this week step up pressure on Japan to relax import restrictions, which it believes, are depressing sales to Japan by half.

Mr Bill Bewsher, director-general of the Scotch Whisky Association, told a press conference in Edinburgh at the weekend: "Japan can no longer have it both ways. It is a major trading nation and if it wishes to have continued access to overseas markets it must allow products such as Scotch whisky to compete on fair and equal terms."

A delegation from the association, which is visiting Japan this week and is supported by the EEC, will urge Japan to tax and apply duty on all spirits on the basis of alcohol content.

Despite the import constraints, annual exports of Scotch whisky to Japan are running at 15.3 million litres or 20 million bottles, and Japan remains the third largest export market for Scotch.

Why food stores are having a thin time

The food retailing sector has significantly underperformed the rest of the market in recent weeks. This repeats the pattern in all but three years of the previous decade, as the excitement of Christmas dies down, and reflects a lack of company announcements to push the shares to even higher ratings. This year, however, the decline in the price of oil has provided further downward pressure. Consumer spending forecasts have been lowered as the outlook for interest rates and possible tax cuts has worsened.

Food retailers' profits are nearly all from Britain, and the deteriorating outlook for sterling has also reduced the sector's short-term earnings prospects compared with companies with major exporting or overseas interests. Thus the food retailers have underperformed the market by 5.2 per cent since January 1, almost as bad as the oil sector, which has underperformed by 6.6 per cent. In the short-term, oil price movements are likely to remain the dominant factor in performance. The strengths of the sector should not be forgotten, however. With increases in average earnings continuing to exceed the level of general inflation, real growth in British consumer spending of between 2 and 3 per cent is expected to be maintained through 1986 and beyond.

Although the food retailers are less highly geared to this than the non-food or "stores" sector, spending levels are important for sales of upmarket foods and non-food products. Food price inflation averaged only 1.6 per cent in 1985 after the bumper harvest of 1984, but is showing some recovery (as measured by The Grocer), and this will be a further boost for sales and profits. Falling oil prices are expected to stimulate the economy in the long term. Thus, although there is little to push the sector index higher in the short term, a solid base exists for future earnings growth.

The big is beautiful adage applies well to food retailing. The bigger groups wield enormous power over the manufacturers, seizing significantly better prices and credit terms than their smaller rivals. This, with other economies of scale, makes it increasingly difficult for the less powerful operators to compete on price.

The top four quoted supermarket groups together now control about 40 per cent of the grocery market. The independents have lost market share, and the trend is likely to continue. Legislation to relax shop hours this year would probably reinforce these changes, as evening and Sunday trading has been mainly the preserve of independents.

Executive Editor Kenneth Fleet

The election pattern set by oil and coal

By 1988 (election year, remember?) the Government may have caused to be grateful to not one, but two groups of energy producers. Between them, the miners and Opec have reshaped the pattern of economic growth through Mrs Thatcher's second term. What they have done between them, in effect, is to damp down the impact on Britain of America's fearful struggles to rebalance its trade position. This had threatened to be the dominant, depressive influence on the world economy between 1984 and 1988. We have already seen the first consequences: as American growth was checked, the whole world slowed down. The growth of world output fell by half between 1984 and 1985.

In Britain, however, this slowdown was conveniently disguised by the economy's rebound from the miners' strike, to an extent that was finally revealed just last week. The output estimates for 1985 record growth of about 3 1/2 per cent, up half a point from 1984. Strip out the rebound from the miners' strike, however, and there was actually a fall in growth from 4 per cent in 1984 to a mere 2 1/2 per cent in 1985.

Had the miners not unwittingly concealed this slowdown, Mr Nigel Lawson's differences with — for example — the Confederation of British Industry might have been a good deal sharper. But with this convenient Scargill effect now out of the statistics, he faced new difficulties in keeping the growth ball rolling. This year might have been just good enough; but not 1987. Then began "Opec Three".

The pessimists (notably in the international financial institutions) still fear that the falling oil price will not do enough to counterbalance American retrenchment. They are worried that the world will react to the huge shifts in purchasing power involved in "Opec Three" very much as it did in the opposite shifts in "Opecs One and Two". When the oil producers jacked up their prices, the losers were forced to cut other imports, while the winners pocketed their gains and increased their trade surpluses: a combination that pushed the world into recession.

The most obvious winners from a falling oil price are Japan and West Germany, America and France; and there is indeed some danger that the first two will simply run up even larger balance of payments surpluses, while the third will go on trying to cut its deficit. Meanwhile, some of the debt-ridden losers will be forced to make painful adjustments; in the usual fashion of economic fate, the good news is slower acting than the bad. But there are some rather important differences between the previous Opec crises and today's.

First of all, a falling, as opposed to a rising, oil price increases the real value of money balances worldwide and thus boosts world wealth and world demand overall. Second, as the price of energy falls, it automatically makes productive capacity that had to be mothballed as the oil price rose economic to use again: no sensible estimates exist of the extent of this spare capacity, but it would be absurd to suppose there will be no boost to supply.

This is the secure foundation for optimism about Opec Three. The effects on Britain are a little more convoluted. They are usefully teased out in the latest forecasts of the London Business School, published today.

Its ready reckoner suggested that every \$5 off the oil price adds roughly half of 1 per cent to Britain's output.

in the first year, and more than 1 per cent in the second and third years, while paring a point off the inflation rate in the first year. The mechanism is a fall in the exchange rate, which boosts competitiveness and thus Britain's opportunity to take advantage of world trade.

The LBS's first caveat is that the advantage can easily be destroyed by government, if it raises interest rates to prevent the fall in the pound. That lesson certainly seems to have been absorbed by the British Treasury.

The second caveat, however, is that industry can throw the advantage away with equal ease. During Opecs One and Two, it was industry that first felt the strain: costs rose, profits fell, before prices adjusted. In the same way, it is now industry that will get first bite at the Opec cherry. It is the immediate boost to company profits from a falling oil price that provides the latest excuse for believing the stock market's present party can carry on.

The economic question is whether companies eventually respond to the stimulus of higher profits by investing and expanding, or whether the boost to the economy is dispersed through consumer purchases of still more imports.

It is daft to suppose that there should be no deterioration in Britain's balance of payments after a fall in the oil price. What is important, however, is that we should maintain our market share in manufactured trade.

The LBS is cheerfully optimistic about this; indeed it suggests that the tide of disaster has already turned, and that Britain's share of world trade has held up surprisingly well over the past five years. So its new forecast is a good deal more cheering than the projections it made last autumn; and would be brighter still at an oil price of \$15, rather than the \$20 cautiously assumed. What is even more interesting is that the shape of the forecast has changed dramatically.

Last October, the LBS suggested modest growth in 1986 would fade further in 1987, from 2.4 per cent this year to 2.1 per cent next. Now, by contrast, it is suggesting a bounce. Its growth forecast for 1986 is unchanged, the benefit of lower oil prices is partly offset by the Chancellor's struggle to hold down public borrowing, and the LBS assumes he has no scope for tax cuts.

The LBS's forecast for 1987, however, now shows a growth rate of nearly 3 per cent. Supposing this pattern to be roughly correct, the effect of Opec Three will have been to reshape Mrs Thatcher's second term, from a steady decline in economic growth to a modest economic cycle in which a mild growth-recession is followed by a conveniently timed recovery.

The same rearrangement can be seen in the LBS's inflation forecast. Last October, it forecast 4.3 per cent inflation this year, increasing modestly but drearily to 4.6 per cent in 1987. Now it is forecasting 3.8 per cent inflation in 1986, dropping next year to 3.3 per cent.

And unemployment? Well, that too is expected to fall; and a shift from capital-intensive oil production to relatively labour-intensive manufacturing would certainly help. But the decline in the number of jobless is still slow. The LBS adds its influence to the growing pressure for understanding of the problem of hard-core unemployment.

Sarah Hogg Economics Editor

PACF

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THE TIMES Portfolio

From your portfolio card check your eight share price movements. Add them up to give you your overall total. Check this against the daily dividend figure published on this page. If it matches you have won outright or a share of the total daily prize money stated. If you are a winner follow the claim procedure on the back of your card. You must always have your card available when claiming.

Table with columns: No., Company, Year gain or loss. Lists various companies like CAP Gp, NEI, Presac, Scholes (GH), Dubliner, CASE, Highland Elect, First Seal Elect, Crown Int, C&I Elect, BUILDINGS AND ROADS, B&A, T&A, J&S, McAlpine (Africa), S&P, Persimmon, Taylor Woodrow, Ameliff, INDUSTRIALS A-D, Avon Rubber, Astra, Bevan IOF, Crest Nicholson, KCB Research, Dixon (I & J), Capson (I), Ash & Lacey, D&C, INDUSTRIALS S-Z, TNT, Sandhurst, Shiloh, Wood (Arthur), Seche, Shaver, Waterford Glass, Transcontinental, S&W.

Weekly Dividend table with columns: MON, TUE, WED, THU, FRI, SAT, Weekly Total.

BRITISH FUNDS

Table with columns: Stock, Price, Change, Gross, Net, Dividend. Lists various funds like SHORTS (Under Five Years), FIVE TO FIFTEEN YEARS, OVER FIFTEEN YEARS, UNDATED, INDEX-LINKED.

BANKS DISCOUNT HP

Table with columns: Bank, Rate, Change. Lists various banks and their discount rates.

INDEX-LINKED

Table with columns: Index-linked stock, Price, Change. Lists various index-linked investments.

INDUSTRIALS A-D

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various industrial companies.

INDUSTRIALS S-Z

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various industrial companies.

STOCK EXCHANGE PRICES Capitalization and week's change

ACCOUNT DAYS: Dealings Begin today. Dealings End March 10. Contango Day March 10. Settlement Day, March 17. Forward Bargains are permitted on two previous days.

BREWERIES

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various brewery companies.

BUILDINGS AND ROADS

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various building and road companies.

FINANCE AND LAND

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various finance and land companies.

FOODS

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various food companies.

CHEMICALS, PLASTICS

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various chemical and plastic companies.

CINEMAS AND TV

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various cinema and TV companies.

DRAPERY AND STORES

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various drapery and store companies.

ELECTRICALS

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various electrical companies.

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Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various electrical companies.

E-K

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various companies.

L-R

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various companies.

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THE TIMES Portfolio DAILY DIVIDEND £2,000 Claims required for +63 points Claimants should ring 0254-53272

OIL

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various oil companies.

OVERSEAS TRADERS

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various overseas trading companies.

PAPER, PRINTING, ADVERTG

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various paper, printing, and advertising companies.

PROPERTY

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various property companies.

SHIPPING

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various shipping companies.

SHOES AND LEATHER

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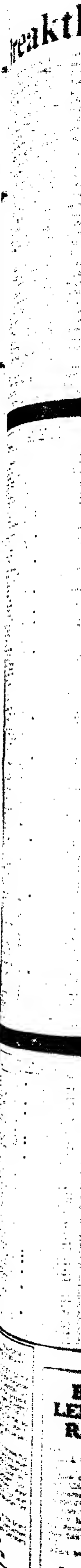
Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various textile companies.

TOBACCO

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various tobacco companies.

NEWSPAPERS AND PUBLISHERS

Table with columns: Company, Price, Change, Gross, Net, Dividend. Lists various newspaper and publishing companies.



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THE 1985 TIMES Portfolio

USM REVIEW

Breakthrough for Hoggett

Note the recent strength in the share price of Hoggett Bowers. After languishing for months below its issue price, the share has made the all-important psychological break above the 48p placing price and moved smartly to 64p.

Hoggett Bowers is an executive recruitment agency which has always looked like the market Cinderella compared with the more glamorous rating accorded to Michael Page. This has partly reflected the market's perception that Michael Page is better positioned in its market-place but also the misfortune that has dogged Hoggett Bowers since flotation.

Profits before tax rose 18

per cent to £756,000 last year and the balance sheet showed a strong cash position. The buoyant background for executive recruitment from new offices in Windsor and the City should ensure a further strong advance this year (ending August) to comfortably over £1 million.

Earnings per share of 6p leave the shares on a prospective price/earnings ratio of 11, which looks very reasonable value against the other quoted agencies, and the takeover rumours swirling around the company are in for free. The annual meeting is today and a confident statement is expected.

Another USM stock which broke above its issue price last week for the first time since its flotation a year ago is Pepe. Founded by two Kenyan Asians in 1973 on a clothing store in the King's Road, it imports a range of jeans and casual coordinates mainly from India and the Far East. The clothes are sold on to leading retailers, and the company is exporting in a small way to the United States and Ireland.

Devenish has 150 pubs, mostly in Devon and Cornwall, with one brewery, and made pretax profits last year of £1.9 million.

Isabel Unsworth

The author is an analyst with the stockbroker Griesevan Grant.

COMPANY NEWS

LANCASHIRE & LONDON INVESTMENT TRUST

Final dividend 5.12p, making 7.13p (3.12p) for 1985. Pretax profit £495,826 (£200,822).

DOMINO PRINTING SCIENCES

In his annual statement the chairman, Mr G. Miano, reports that the group balance sheet is strong, with shareholders' funds of more than £5 million, no long-term debt and the substantial cash balances raised by the flotation.

WILLIAMS HOLDINGS-SPENCER CLARK

The recommended offer by Williams Holdings for Spencer Clark Metal Industries has been accepted for 4.86 million shares (93.7 per cent). Williams intends to compulsorily acquire the remainder.

BANCO BILBAO

Profit before tax \$187.1 million (about £128 million), compared with \$138.1 million. Dividend per share, 91 cents (81 cents). The company's shares were listed on the London Stock Exchange in April, 1985.

RENOVON

Dividend, 12.5 yen (same) for 1985. Net assets reached 220,167 million yen (about £347 million), against 212,494 million yen. Net profit 5,721 million yen (\$708 million year).

HIGH-POINT SERVICES

Interim dividend of 1.75p (1.5p) is being paid on April 14. Turnover for the half-year to Nov. 30, 1985, £3.77 million (£2.59 million). Pretax profit £589p (521p). Earnings per share 5.89p (5.21p).

ENDENDERRY SHOES

An interim dividend of 2p (same) is being paid on April 8. Turnover for the half-year to Jan. 3, 1985, Irish £3.02 million (Irish £2.45 million). Pretax profit Irish £165,714 (Irish £103,150). Earnings per share 3.9p (2.49p).

DON BROTHERS BUSTON

Interim dividend 1.2p (1p). Turnover for the half-year to Nov. 24, 1985, £26.9 million (£25.24 million). Pretax profit £1.65 million (£1.79 million). Earnings per share, before extraordinary items, 7.6p (7.5p).

ANGLO-AMERICAN SECURITIES

The trust is reporting for the year to Dec. 31, 1985, compared with the previous 50 weeks. Final dividend 4.7p, making 6.2p (5.7p). Revenue before tax £5.67 million (£4.92 million). Earnings per share 6.53p (5.36p).

BAILIE GIFFORD SHIN NIPPON

A dividend of 0.45p is being paid by the company on April 25. Investment income for the seven months to January 31 was £231,605 and pretax revenue £145,207. Earnings per share were 0.57p and diluted net asset value 63p.

GILT-EDGED

Bonds fly in the face of dark possibilities

The global village gorged itself to near-satiety last week on a diet of rumour, superstition and half-fact. It was rich, medieval and, above all, highly profitable. Bond prices flew upwards, seemingly without constraint. By the end of the week, long yields in New York had fallen to their lowest level for more than six years.

James Baker, the US Treasury Secretary, said much the same thing last week.

The role of the Opec countries in this nexus remains fairly ambiguous. On the one hand, falling oil prices rob them of revenue. But, in perhaps equal compensation, rising capital markets provide Opec with massive portfolio gains. Hence Opec actually benefits from falling oil prices!

But the counter to a scenario of perpetually falling bond yields remains the central banking response.

The Bank now appears to have switched tactics

No sooner, for example, had Mr Takeshita opted last week than Mr Sumita, the Governor of the Bank of Japan, contradicted his call for a discount rate cut. West Germany's central bank last week opted pointedly to maintain its discount rate at 4 per cent.

The Bank of England appears to have switched tactics in its dealings in the money markets. Some weeks ago, when sterling was weak, the authorities pushed interest rates up, and jolled against the gilt market to boost the currency by tempting the foreigner.

Last week saw a succession of moves which left money markets either over- or under-supplied with credit. The resultant interest rate structure boosted or deflated the currency. But rates did not fall.

These cautious moves, which are at variance with pleas from politicians for lower rates, find their most natural expression in the testimony by Mr Paul Volcker, chairman of the Federal Reserve Board, to the US Congress last week.

It was a cautious speech, which stressed that an economy expanding at a reasonable clip, where broad money signals were difficult to read, required an expansion in the volume of allowable credit.

growth but perhaps out a cut in its price.

Mr Volcker's caution is understandable. The US discount rate could not fall, for the time being, because of the continuing erosion of the dollar on the foreign exchange markets. Perhaps the spectre of rising inflation fears would provoke all kinds of dollar portfolio adjustments, notably by the Saudis, at a time when the adverse effect of lower oil prices, debtor country default, would start to rear its head again.

The central banks are clearly aiming for stable currencies. If this was Mr Volcker's line of thinking, then it was remarkably perceptive. By the weekend, Mexico was rumoured to be in difficulties.

Bond markets, however, are still ignoring these dark possibilities and are concentrating on the brighter side of life. The gilt market, for example, looks set for a further run this week.

The gilts market looks set for further run

Notable in the past five trading sessions have been the huge build-up in trading volume, and the well-nigh unshakable underlying firmness, despite the jobbers' attempts to slam prices. Effectively, London has been transformed into a geared way into the New York market, with the lower oil price argument subtly traded.

Selling these markets is unthinkable, when prices bounce ahead. Equally, holding stock carries a manifest risk when the yield gap from money market rates is about 250 basis points. And if markets do crack, then of course the authorities cannot be blamed, because they have very deliberately stood aside from the recent price surge, leaving traders to their own devices. Naturam usque recurret?

Christopher Dunn
Orion Royal Bank

UNLISTED SECURITIES

Table with multiple columns: Company, Price, Change, Gains, Div, Yield, P/E. Lists various unlisted securities and their performance metrics.

INVESTMENT TRUSTS

Table with multiple columns: Company, Price, Change, Gains, Div, Yield, P/E. Lists investment trusts and their performance metrics.

- Operating profit increased by 16.2%
Interim dividend increased by 15.2% to 2.072p per share.
Turnover per employee up by 12.9%

Table with columns: 13 weeks ended 27 Dec 1985, 13 weeks ended 28 Dec 1984, 39 weeks ended 27 Dec 1985. Rows include Turnover, Operating profit, Profit before taxation, Earnings per share.

BOARD MEETINGS

TODAY - Interims: Murray Investment Trust, Torchmark Corporation (quarterly dividend), Unisef Gold Mines, Winkathack Mines, Finats, Biomechanics International, Channel Islands and International Investment Trust, ICI, W and R Jacob, Jebsons Drilling, Pacific Assets Trust, Ratafins (Great Bridge), Fiver Plate and General Investment Trust, Royal Insurance, SKFAB, Woodhouse & Ribson Holdings.
WEDNESDAY - Interims: Elcco Holdings, English and Scottish Investors, Harburgers Brooks, Mainnet Holdings, Victor Products, Finats: British Vending Industries, Olives Paper Mill.
THURSDAY - Interims: AH Holdings, Krackon Mines, Cope Afrim International, FII Bedford, Darak Crown, Lloyds (amended), Knross Mines, Leslie Gold Mines, The Scottish Yelverton Investments.

THE "SHELL" TRANSPORT AND TRADING COMPANY P.L.C. NOTICE IS HEREBY GIVEN that a balance of the Register will be struck on Monday, 3rd March, 1985 for the payment of the half-yearly dividend payable on the FIRST PRESERVOUS SHARES for the six months ending 31st March, 1985. The dividend will be paid on 1st April, 1985.

BASE LENDING RATES
ABN - 12 3/4%
Adam & Company - 12 3/4%
BCCI - 12 3/4%
Cibank Savings - 12 3/4%
Consolidated City - 12 3/4%
Continental Trust - 12 3/4%
Co-operative Bank - 12 3/4%
C. Hoare & Co - 12 3/4%
Lloyds Bank - 12 3/4%
Nat Westminster - 12 3/4%
Royal Bank of Scotland - 12 3/4%
TSB - 12 3/4%
Citibank NA - 12 3/4%

Investment Trust, Torchmark Corporation (quarterly dividend), Unisef Gold Mines, Winkathack Mines, Finats, Biomechanics International, Channel Islands and International Investment Trust, ICI, W and R Jacob, Jebsons Drilling, Pacific Assets Trust, Ratafins (Great Bridge), Fiver Plate and General Investment Trust, Royal Insurance, SKFAB, Woodhouse & Ribson Holdings.
FRIDAY - Interims: Arbuthnot Government Securities Trust, Crusts, Goodwin, Intereurope Technology Services, Polytechnic Electronics, SelectTV, Stothert & Pitt (amended), Finats: Ault & Wiborg, William Bedford, Darak Crown, Lloyds (amended), Knross Mines, Leslie Gold Mines, The Scottish Yelverton Investments.

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February 24, 1986

A taxing time for people's future wealth

For the first time in anyone's memory pensions are a general subject of the Government's proposals on personal pensions is that they have, once again, made a dog's dinner of things. In terms of making the average employee aware of how much of his cash is tied up in a pension scheme, the exercise has to be judged a resounding success.

The nation's greed has been aroused and many people believe, rightly or wrongly, that personal pensions are the way to get their hands on the money locked up in occupational pension schemes.

Though it is a major achievement to have got the general public interested in a subject which has hitherto produced terminal boredom there is no ignoring the fact that the whole pension scene is an absolute mess.

Since the DHSS apparently does not talk to the Inland Revenue or Superannuation Funds Office, the fundamental problem associated with personal portable pensions remains, not only unresolved, but even more of a muddle than it was before.

The Government's objectives are three-fold. First, to offload some of the expense of providing for people in retirement; second, to encourage job mobility by making it easier for people to take their pensions with them when they change employment; and third, to give working people a real interest in what is probably their biggest investment.

But instead of starting from scratch and deciding how best to achieve these objectives, officials at the

Department of Health and Social Security were asked to look at the ways of cutting the cost of Serps (the State Earnings Related Pension Scheme) and devise a scheme which would encourage people to take out personal pension plans, with no reference to the overall tax structure of pensions — fundamental to solving the pensions conundrum.

Until the Government tackles the tax problems, there can be no real portability of pensions. The new proposals leave a host of unanswered questions which must be dealt with.

At the moment an employer can push as much cash as he likes into an

6 The nation's greed has been aroused and many believe personal pensions are the way to get their hands on locked-up money?

occupational pension scheme and obtain tax relief on these contributions, because the limitation is on the amount of eventual pension paid to members at retirement age.

With a personal pension policy the restrictions are on contributions to the plan — and the pension can be any amount or proportion of previous earnings. How then can there be any harmony between the two?

Though the new proposals give limited rights to job changers in terms of up-rating of deferred pension benefits, and the right to

contract out of the State scheme, they do not tackle some of the fundamental problems associated with pensions.

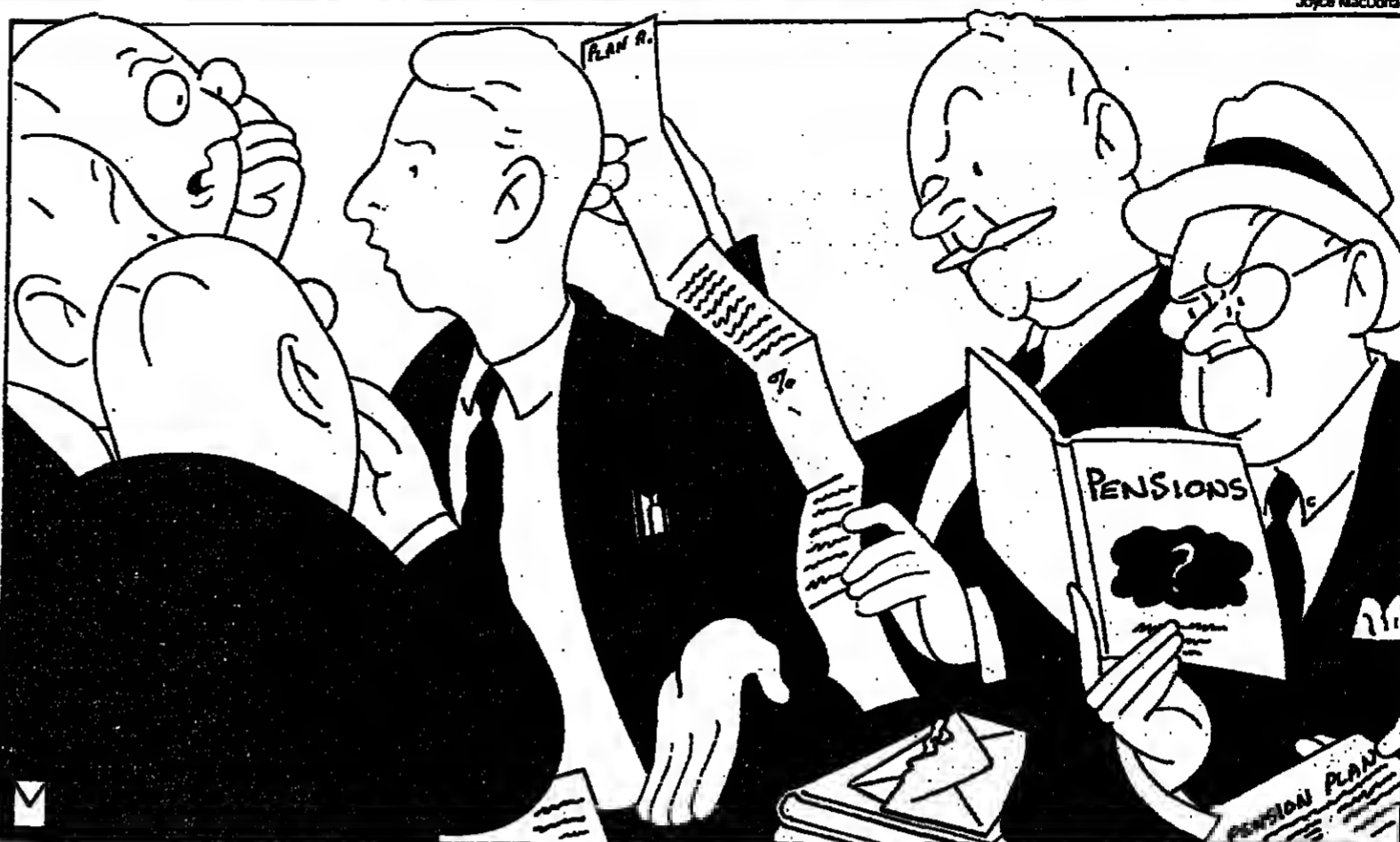
The vast majority of workers have inadequate pensions and need to make extra provision for their retirement. Yet nothing has been done to enable those who are in an inadequate occupational scheme, or those job changers who have much reduced pensions, to obtain tax relief on contributions to a top-up personal pension.

The Government would say its proposals are designed to encourage people to make extra voluntary contributions to their existing occupational pension scheme. But nothing has been done to give the employee any real freedom of choice.

If his company has an AVC scheme (Additional Voluntary Contributions) which is part of the main pension scheme, and that scheme is under-funded, then it is madness to encourage anyone to pay extra contributions into such a scheme, since it will inevitably be poor value for money.

The employee could get a better deal elsewhere — except that he can't because the new pension regulations have done nothing to solve this problem. As a member of an occupational scheme — however bad — he still cannot get tax relief on contributions to a personal pension plan.

Similarly, it's all very well ruling that deferred pension benefits, from January 1986, must be up-rated by the lesser of 3 per cent a year, or the rate of inflation.



Joyce MacDonnell

But what if the pension scheme rules give no right to deferred pension at all if the employee leaves within a certain number of years?

It is still possible for an employee to be a member of a company pension scheme and leave that employment without any pension rights at all.

There are other lesser nonsensees, such as the fact that the Government wants financial institutions such as building societies and banks to offer personal pension plans — but under current legislation annuities must still be bought from insurance companies.

The Government cannot complain that it has been short of advice. The weight of paper written on solutions to the pensions puzzle is enough to smother even the civil servants.

But the trouble is the DHSS does not understand taxation and has no brief in any case to tinker with the tax angles of pensions, while the Inland Revenue is not interested in pensions beyond the taxation of them.

Lorna Bourke

Minister in charge: Norman Fowler, who proposed the abolition of Serps, then retreated in the face of wholesale criticism and produced a compromise solution

The snag about switching jobs

One of the most common areas of dissatisfaction among employees who have an occupational pension scheme is what happens to their accumulation pension rights if they switch jobs. Early leavers, as they are known, often complain that the options available to them when they change jobs are too narrow, and that the value of their accrued rights is far less than they had expected.

Certainly recent legislation has to an extent addressed both of these grievances. The Social Security Act 1985, which largely came into force on January 3 this year, improved the available choices for early leavers as well as laying down certain rules which, while not necessarily going to produce the valuation that the early leaver would want or expect, will nevertheless ensure that some sort of fair valuation is arrived at.

Under the old law an employee must have worked at least five years for a company and be at least 26 years old before becoming entitled to a deferred or frozen pension. In other words, unless both these requirements had been satisfied, an employee did not have the right to keep his or her pension in the company's scheme when moving to another job.

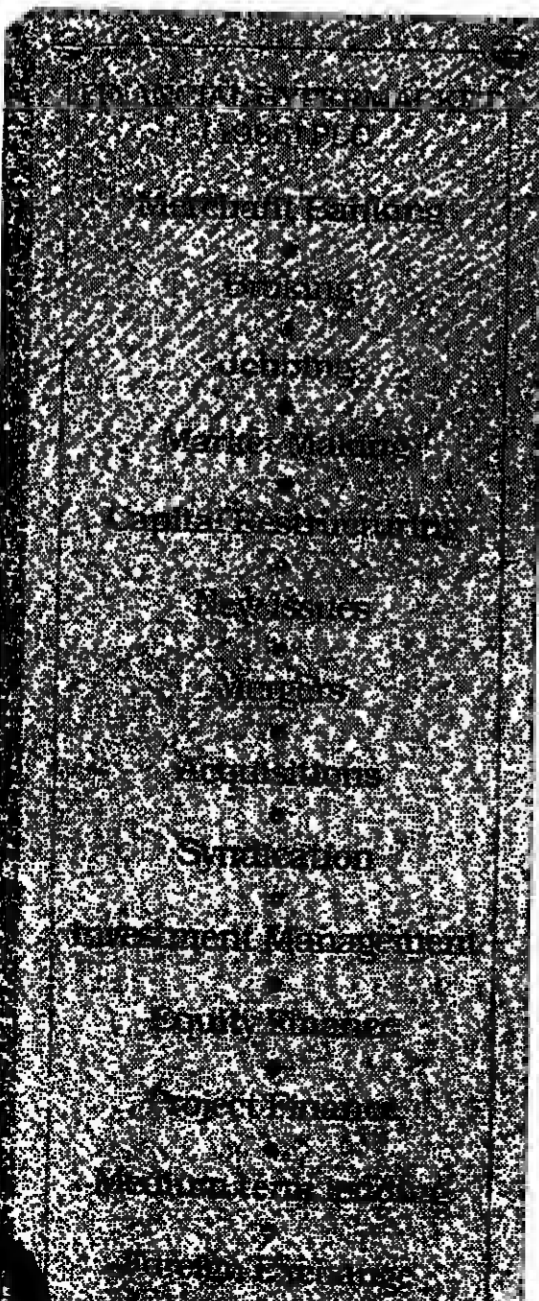
The new act changes the position slightly in that the age requirement is scrapped, leaving five years pensionable service as the sole qualifying condition for a deferred or frozen pension.

Another improvement introduced by the Social Security Act 1985 is to require companies to increase the value of deferred pensions annually. While many companies had

Continued on page 22

INSIDE: The Serps U-turn, page 22 • Getting the best advice, page 23 • Making sure of your rights, page 23

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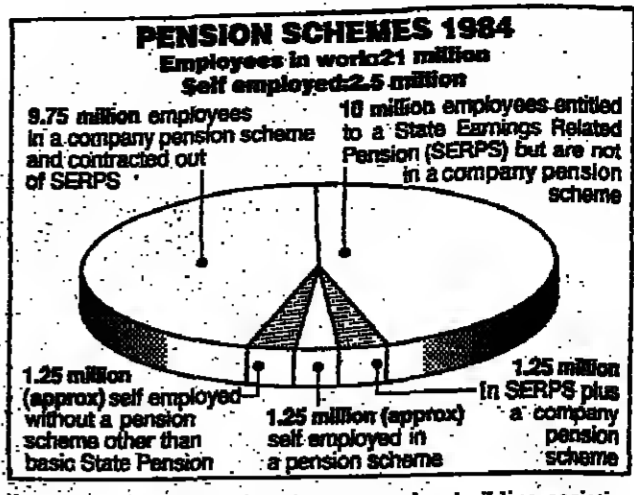
PENSIONS/2

A sensible compromise on the Serps U-turn

The Government tried last year to put through one of the most radical changes it has proposed since Mrs Thatcher came to office. It attempted to get agreement for plans to overturn the state pensions system established in the 1970s...

Serps now gives an inflation-proof pension related to final salary on top of the basic state pension. This was a mixture of pragmatic planning and ideology.

Mr Fowler took the sensible course and retreated. The compromise now achieved still makes savings in the future cost of Serps - by about the year 2030 it will be costing roughly £13 billion a year.



The Social Security Bill embodying this compromise is now on its way through Parliament and the new pensions system will come into force in 1988.

Trade unions objected believing their members would be worse off, while employers objected believing the new system would cost them much more.

But it was also because the industry knew it could not provide economical pension schemes to lower paid people who could only make small monthly contributions.

Particularly badly hit will be widows who will no longer receive the whole of their spouses pension. Temporary workers, such as married women, who leave employment for a time and then rejoin it, will also suffer.

The other plank of Mr Fowler's pensions platform is the introduction of personal portable pensions that will cater mainly to the better paid.

People can now opt out of Serps, but usually only to join a "contracted out" company scheme. Under the new rules contracting-out schemes will get a rebate of 2 per cent of earnings, paid in by the Government for the first five years, as an incentive.

To avoid confusion in administering these schemes, the new system allows for a central pensions clearing house paid for and run by the Department of Health and Social Security which will receive the contributions of the individual and employer and pass them on to the relevant pension company.

companies, building societies and banks. A similar system in the US was introduced in 1980 which indicates the way people in Britain may behave with personal pensions.

Personal Pensions: How to get a top performing plan with no hidden traps.

Some pension plans penalize you if you retire earlier than you originally intended; some, if you don't want to commit yourself to paying identical premiums every year. With The Equitable's "with profits" plans you'll encounter no such traps.

Advertisement for Touche Remnant Pension Fund Management, featuring a portrait of a man and the text 'Independent thought'.

Improvements for early leavers

Continued from page 20 already adopted a policy of voluntarily increased deferred pensions, many others simply left them untouched and flat.

Another change by the new legislation is the requirement from the beginning of this year for all company pension schemes to offer early leavers a transfer pension as an alternative to leaving the pension rights where they are.

Advertisement for R. WATSON & SONS CONSULTING ACTUARIES, listing services and contact information.

Advertisement for Eagle Star Group, featuring an eagle logo and the text 'Identifying change in the pensions business environment'.

Advertisement for M&G's strong line in pensions, featuring a line graph and the text 'M&G's strong line in pensions'.

Vertical text on the left margin containing various small notices and advertisements.

Vertical text on the right margin, including a large advertisement for 'Don't let too late' and other notices.

FOCUS

PENSIONS/3

Don't leave it too late for the best results

Most employees forget about pensions until they are near retirement age. As a result most are ignorant of their rights. A few enlightened companies go out of their way to make up for this deficiency by ensuring that their pension schemes make regular reports to members, but they are the exception.

Last year's Social Security Act introduced general requirements on providing information to pension scheme members but the details were left to regulations which have yet to be drawn up. It is already clear, however, that

Difficulty in giving details

they will require huge changes in practice to be made. The regulations are likely to be based on recommendations made in a consultative paper published as long ago as February 1984. This suggested that schemes should make available annual reports which say whether the scheme is funded or not and which contains a set of audited accounts, an auditor's report and a summary description of the scheme's assets. In addition it recommended that the report include a statement on borrowings, the names of the investment managers and an actuarial statement, renewed every three years, on the level of funding.

Racoon & Woodrow, the consulting actuary, say the actuarial statement should be divided in two parts dealing separately with benefits accrued to date and the on-going position. It argues that there is considerable difficulty about giving details of the methods

and assumptions employed in arriving at the actuarial statements as there are so many different approaches in current use. It even says the information could be confusing to most readers of accounts.

The consultative paper suggested that trustees and employees would be responsible for bringing the report and accounts to the attention of members and that displaying it on a noticeboard would be sufficient for the purpose.

The reports would also have to be sent to representatives of recognized trade unions. The original plan for setting up a pension reports registry has been dropped, though the decision will be reviewed in three years' time.

Other information which might be required includes a record of past increases in pensions, details on how transfer values are worked out, information on the trustees and individual benefit statements. A recent survey has

Good information in short supply

found that these requirements would necessitate a drastic improvement in the level of information supplied. Of the 414 schemes taking part, 39 per cent did not publish an annual report for members, 78 per cent did not provide one for early leavers and 61 per cent did not supply the information to people who have already retired.

Clare Dobie

Greater Security for the Rights and Expectations of Members of Occupational Pension Schemes. Company Pension Schemes Survey, PPL, BIM.

Where to go to get the advice that matters



Advice on pensions for the eleven and a half million people who are estimated to have an occupational or company pension scheme is not always easy to find. The pension consultants and actuaries advising on company pension schemes are usually concerned with giving advice to the company, rather than to individual beneficiaries of the company's pension scheme.

In theory you can seek their advice, if you consider it necessary, but the practical realities are such that the costs would generally make such an approach prohibitive.

Fortunately, there is a fair amount of clear and reasonably comprehensive literature aimed at getting the layman to understand what his or her pension is made up of, what all the technical jargon means, and what you can expect from your occupational pension. There are also a couple of bodies prepared to help with occupational pension schemes without charge.

The Consumers' Association, whose publications are often models of clarity and thoroughness, has published a book entitled: What will my pension be? It costs £4.95 and is available from most large bookshops or from the association. For the beginner it represents an excellent guide through the complications of pensions and pensionspeak.

The book is not specifically devoted to company pension schemes, although it does cover the various types in detail. An alternative, or even supplementary source of written information (it is free) comes from an organization called the Company Pensions Information Centre.

The CPIC publishes a number of clear, amusingly illustrated booklets, under titles such as: What Pension Terms Mean, How a Pension Fund Works, Pensions for Women, and How to Understand your Pension Scheme.

There are six booklets in all and are available from the CPIC. You must send a stamped addressed envelope, with £5.95 postage.

If you have a problem with or any confusion about your pension scheme then your first port of call is your scheme authority - generally the trustees of the pension fund or their agents. It is only if you do not get satisfaction from this approach that you can consider contacting the Occupational Pensions Advisory Service (OPAS).

OPAS is a registered charity which is funded by contributions mainly from large institutions such as the high street clearing banks, various insurance companies and companies such as Rank Xerox and British Petroleum.

OPAS has been operational for more than two years and its running costs are about £35,000 a year. It has 150 occupational pension scheme advisers spread throughout the country, all of whom work on a voluntary basis and generally have a long-standing connection with the pensions industry. So they will often be pension fund managers, retired or still working, or members of the Institute of Actuaries.

"A lot of people approach us through the local Citizens Advice Bureaux," says Mr Terry Brand, deputy chairman of OPAS. The chairman is Margaret Granger OBE.

"If people have not been satisfied after an approach to the scheme authority they can approach OPAS. A considerable number of enquiries we receive can be answered immediately. If not then the enquiry or approach will be dealt with as a case," says Mr Brand.

But this does not mean that OPAS will engage in protracted negotiations on your behalf. "We are not the Ombudsman," says Mr Brand. "What we do is advise or put forward our views as to what people's rights are under the terms of the rules of the particular scheme and under the law of trusts."

"If we have permission from the person who has approached us we will talk to the employer and express our views. Then we leave it to the parties to finalize matters. Sometimes we get joint approaches from an employer and employee but this does not happen often."

One of the unfortunate aspects of the work that OPAS does is the number of times it witnesses what Mr Brand calls "tragedies".

"We often have to tell people, 'sorry but you have a miserable pension', and there have been the most ghastly cases of fraud where people

have lost all the pension they were expecting," he says.

On the whole, he says, most company pension schemes are well run, although there are a number on the fringe where employees can get a rough ride.

Then there are cases where people just cannot understand why their pension is so low compared to those of contemporaries in similar jobs.

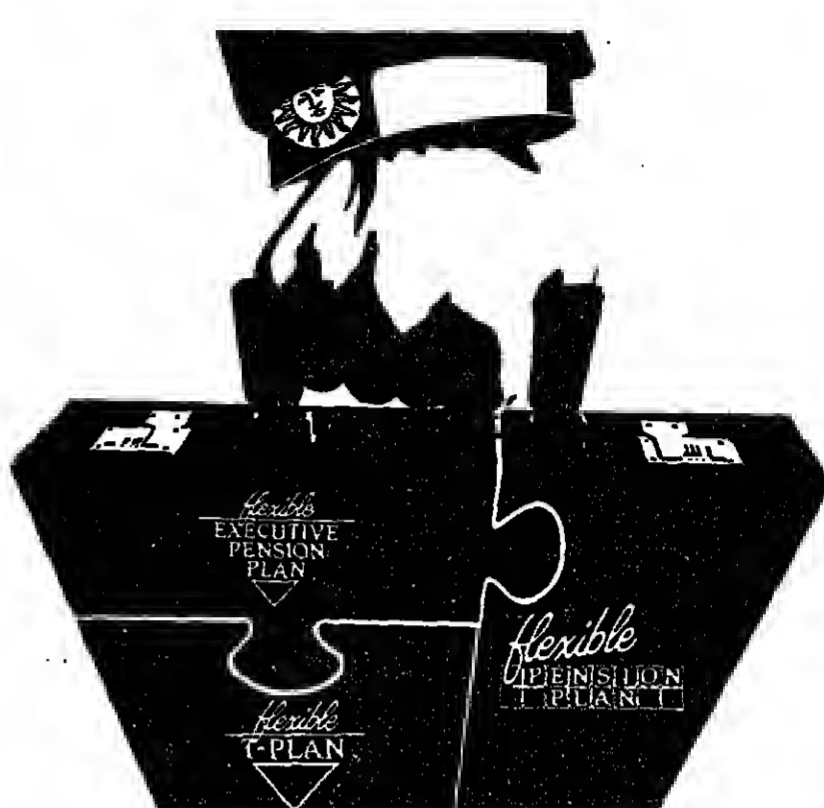
Another organization that provides a measure of assistance is the Company Pensions Information Centre, which was set up by a consortium of life offices 11 years ago.

"We give information but not advice," says David Barrett, information manager at CPIC. "Individual members of the public do come in for advice. We are happy to help them to understand pension schemes generally, but we will not delve into the rules of individual pension schemes. We don't check the figures but we help people to understand the process."

As well as providing information to individuals, CPIC does a lot of public speaking at chambers of commerce, pension conferences, gatherings of the Institute of Chartered Accountants. The booklets it produces also take up a lot of working time.

LL

The Company Pensions Information Centre, 7 Old Park Lane, London W1Y 3LJ. OPAS, Room 327, Aviation House, 129 Kingsway, London WC2B 6NN.



The case for Flexible Pensions

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That's why we've developed our Individual "Portable" Pensions package - Flexible Pension Plan, Flexible Executive Pension Plan and Flexible T-Plan.

Some of the many advantages of our "portable" approach are: * Planholders can change jobs without loss of pension rights. * Any lump sum death-in-service benefits can, within



certain limits, be retained on changing jobs. * Pension rights can be transferred from existing Schemes to member's own Individual Plan. It's one of the most "portable" pensions packages permitted by current legislation and can be easily adapted to meet future changes in the Law.

For further details of SUN LIFE's case for flexible pensions please complete and return the coupon.

TO: SUN LIFE Assurance Society plc, FREEPOST, Bristol BS1 3YX. NO STAMP REQUIRED. Please send me FULL details of SUN LIFE'S INDIVIDUAL "PORTABLE" PENSIONS package. T 24/2. Name: _____ Name and address of your financial adviser (if any): _____ Address: _____

PENSIONS - it's surprising how many questions... Scheme design, Computerised administration, Trustee/Chairman, Self-administered directors' schemes, Personal financial planning, Actuarial valuations, Pension implications of take-overs and mergers, Investment performance measurement, Employee communications. DUNCAN C. FRASER & CO. The Consulting Actuaries with the full pensions service. Barber-Surgood's Hall, Monkwell Square, London EC2Y 5EL. Tel: 01-606 6655. LIVERPOOL 051 236 9771, BIRMINGHAM 021 455 7485, EDINBURGH 051 228 2796. MANCHESTER 061 832 5688, LEEDS 0152 443 753, DUBLIN 001 720 764.



"I thought all pension companies offered about the same amount at the end of the day."



"Then I spoke to NPI."

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To: Julie Collier, NPI, National Provident House, Tunbridge Wells, Kent TN1 2UE. Please show me how you can put more pension in my pocket. Name: _____ Address: _____ Postcode: _____ Name of your financial adviser (if any): _____ T 824/2. NPI'S IT PAYS TO LISTEN TO EXPERTS.



Price Waterhouse now offers a Pensions Advisory Service.

We have set up a multi-disciplined actuarial and accounting team to form a new, specialist Pensions Advisory Service.

Further information on this new service can be obtained from Keith Whitehead on 01-407 8989. Alternatively you may find it more convenient to get in touch with your local Price Waterhouse contact.



RUGBY UNION: INJURIES FORCE IRELAND TO MAKE CHANGES

Cork will celebrate selection of Keyes as he wins his first cap

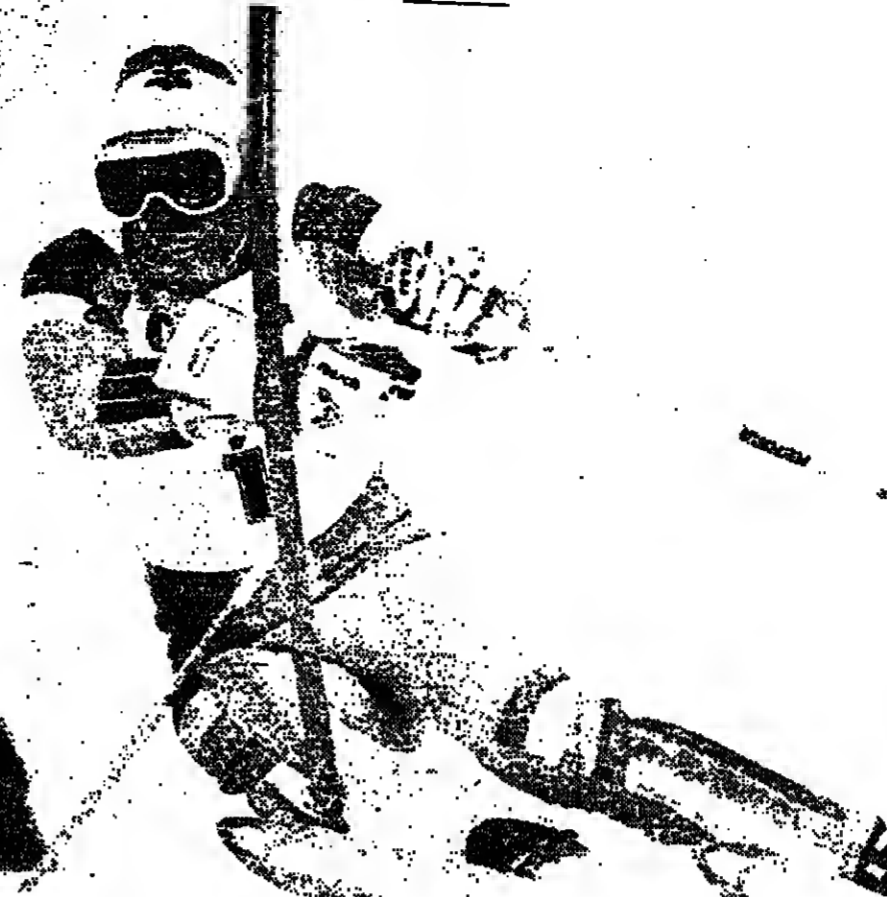
By David Hands, Rugby Correspondent

Ralph Keyes, the 24-year-old Cork Constitution stand-off half, will win his first cap for Ireland against England at Twickenham on Saturday. He is one of three changes...

Ward last played international rugby, would all count in his favour. Moreover, under the scrutiny of the selectors on Saturday, Keyes scored 20 of his club's 24 points against Monkstown.

able to prove his fitness during squad training yesterday. Nevertheless, there must be a query over his readiness for international rugby. The other contender for the position was Roger Anderson, the Irish player, whose time will almost certainly come.

may take the view that so many players had a poor day against Scotland that it could not possibly happen again. If change there is, it will probably be confined to the scrum where Redman's athleticism makes a pressing claim for a place in his correct position as lock and Chilcott's scrummaging ability might also...



Gatcrashing the party: Zurbriggen's first World Cup slalom win since March 1985

Bell arrives among the elite

Over a tricky and exciting new course at the Swedish resort of Are, Martin Bell confirmed his arrival among the elite of the World Cup downhill field by finishing his eighth place in Friday's race with a brilliant fifth on Saturday (Richard Williams writes). In lifting himself to thirteenth in the season's downhill standings with two races to go, the British skier...

Switzerland, the world downhill champion, achieved his first victory in a season which has been disrupted for him by injury when he won yesterday's slalom at Are, ahead of Paul Frommelt, of Liechtenstein, and the world champion, Jonas Nilsson, of Sweden.

Quins lose Milne and game

By David Hands

Clubs looking for rugby in the South West when the rest of the country is frostbound must continue to step warily. It is not Brixham and Exeter who are Hartlepool, trying to keep their cup side in trim, came a Saturday at Plymouth Albion, where they lost 12-11.

back, who has been in such commanding kicking form this season, made the difference by landing a conversion and three penalties.

As with all the best and entertaining teams, Llanelly try things which do not always succeed, but are looking for the risky shots there is always the greater opportunity of failure.

Llanelly pay for ambition

By Gerald Davies

Llanelly Aberavon 10-11 That this game should have been staged at all was surprising enough, the other three Schweppes Welsh Cup quarter-finals have been called off because of the weather.

High are made to feel low

By Ian McLauchlan

The efforts of snow-clearing volunteers were turned up at Inverloch on Saturday proved fruitless as the ground froze as soon as the cover was lifted. This left only one game in Edinburgh on Saturday, at Jack's Lodge, where Edinburgh Wanderers defeated Royal High by 11 points to six.

Coventry rewarded for set-piece superiority

By Michael Stevenson

Conditions were perfect at Ansdell on Saturday where Fyde, on the crest of a minute wave after early season disappointments, entertained Coventry to lose a flowing and enjoyable contest by two goals, a try and two penalties to a goal and a try.

McMaster is in charge

By Ian McLauchlan

Of three Ulster Senior Cup first round games which, surprisingly, were able to be staged on Saturday, the highlights were those inspired performance from the 8-0 victory over the inter-divisional right wing McMaster, which helped Banagher to defeat Portlaoise 24-0 at Uprichard Park (George Ace writes).

Weekend results

SWHEPPES WELSH CUP: Quarter-finals: 10. Aberavon 11, 11. Cardiff 10, 12. Newport 10, 13. Swansea 10. Semi-finals: 14. Newport 10, 15. Swansea 10. Final: 16. Newport 10, 17. Swansea 10.

League plan is rejected

By Ian McLauchlan

Representatives of England's leading rugby football union clubs rejected the proposition to a league structure which they met at Moseley yesterday to discuss the possible expansion of the existing John Smith's merit tables (David Hands writes).

Rugby League

By Keith Macklin

There were visions of yet another amazing cup victory by the first division, in the first round, showed a remarkable spirit. They tackled so well and ran so determinedly that they threw the international-studded Leeds side completely out of their stride. Although Smith got an early try for Leeds and Parkhouse went over for Doncaster and Noble kicked a goal.

Doncaster succumb to Leeds revival

By Keith Macklin

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Audain mark

By Ian McLauchlan

Auckland (AP) - Brisbane Commonwealth Games gold medalist Anne Audain broke the Commonwealth record in a qualifying run for this year's Games. Audain, who won the 3,000 metres at Brisbane in 1982, set a new mark of 27min 17.1sec.

GOLF

Champion moves up behind leader

From John Ballantine Los Angeles

Lanny Wadkins, the defending champion, scored 67 to move up to the shoulder of Doug Tewell, the third-round leader, as the field closed up with several well-known players in contention in perfect conditions on the Riviera course in the 60th Los Angeles Open.

Both Wadkins and Tewell are aged 36, but whereas the former's career has been loaded with honours in Walker Cup and Ryder Cup play and he has won 15 titles in 15 years on tour, the latter, who hails from Louisiana, has but two victories to his credit: the Heritage Classic and the Philadelphia Open. Both scored in 1980. Tewell opened his third round with six successive birdies to get a lead he never relinquished.

HOCKEY

England come first but Irish take honours

By Joyce Whitehead

The GMC women's tournament held at Old Trafford over the weekend ended with England B winning by a 2-0 margin on goal difference after finishing level on points with Ireland. The tournament also included Canada and the B teams of Scotland and Wales.

FOR THE RECORD

Table with columns for BOXING, LUGG, CYCLING, FOOTBALL, GOLF, TENNIS, VOLLEYBALL, YACHTING. Lists various sports events and results.

RUGBY LEAGUE

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BOBSLEIGHING

Hoppe has a second to spare

By Sydney Friskin

Wolfgang Hoppe retained the world championship title in convincing fashion in Königssee yesterday, finishing 1.09 sec ahead of Ralph Pichler of Switzerland (Chris Moore writes).

Adams on England come first but Irish take honours

By Sydney Friskin

Taunton Vale reached the third round of the Hockey Association Cup yesterday with a 2-0 victory over Bream. The scorers were Matthew Berry and Mick Martin.

ICE HOCKEY

FA Cup

Fifth round: Derby v Sheffield Wednesday. Fourth round: Southend v Halifax (7-45), Stockport v Exeter. Scottish Cup: Fourth round: St Mirren v Falkirk, Hamilton v Hearts, Alloa v Motherwell.

FOOTBALL

FA Cup: Derby v Sheffield Wednesday. Fourth round: Southend v Halifax (7-45), Stockport v Exeter. Scottish Cup: Fourth round: St Mirren v Falkirk, Hamilton v Hearts, Alloa v Motherwell.

TODAY'S FIXTURES

Table listing today's fixtures for Football, Rugby League, and other sports.

HORIZONS

A guide to career choice

Carve out a furniture future



Furniture-making is fashionable. Consumer interest in design, new technology and an emphasis on woodmanship are combining to open career opportunities. Last year Lord Snowden's son, Lord Linley, opened his own furniture shop and helped to spark a spate of articles on trendy furniture-makers. His own master, John Makepeace, is soon to open a second school.

This spring the New Woodmanship Trust is being launched, and a new open at Buckinghamshire College in High Wycombe.

So, join a firm or start your own business: either way the route is surprisingly long. In the latter case, six years of being a student may end with a lucky break at the college diploma show. Even then business skills can be lacking - as Mr Makepeace knows. His private school on a magnificent Dorset estate, insists that pupils market their creations and learn how to cope in the world before the course concludes.

Management and business studies are also central to courses in fine craftsmanship and design at Ryeotewood College, Oxfordshire.

For fellow students Peter Christian and Paul Chamberlain, the end-of-course show at the Royal College of Art launched their firm, called Flux. An elegant lounge had already won a prize and soon found a manufacturer. They are to be found now in a studio in Battersea with trains thundering past and, on view, an assortment of successful creations from a one-piece swivelling table and stool to the original lounge.

The studio was set up in 1985 as both Peter and Paul gained an Enterprise Allowance (worth £40 each for a year). That is just ending, but the future looks promising with a clutch of commissions. How did they begin?

Paul studied design, craft and technology at school and joined the foundation course at Cardiff College of Art before taking a degree in construction and design at Bristol. There he produced some novel wall-hanging chairs, which won an international competition in Belgium. The "lone" Brit beat 400.

At the end of three years at the Royal College (exclusively post-graduate) Paul had been a student for seven years, having earned a few pounds working with Crown Supplies in a

Ann Hills looks at new interest in an old skill and how to plan for success

holiday. Grants and bursaries had nearly paid for his education.

Peter, who concentrated on furniture and lighting at Ravensbourne College of Art, took a year out at Sheffield University, working as illustrator and designer. The publications department and won an award for sealing. That took him to the Netherlands and Italy, before the Royal College.

The pair intended to set up in partnership to design for mass markets. Despite the long academic course, Peter and Paul felt inexperienced in business and, sensibly, began on a low budget, working at home in 1984.

Are they making a living? Just, with much of their revenue going on producing samples on publicity and trade shows.

In the future Flux hopes to have its own shop, but for that the two want another business partner, leaving them to concentrate on design and presentation. Maybe the new Independent Designers Federation will be useful. It

and the Royal College. Brenda Saunders took a year out and worked in Heals' domestic furniture department.

She says: "I learnt what people want to buy - at college you have a blinkered sense of commercialism." Being a high-flier, she gained a first at Kingston and "really blossomed at the RCA where I developed my own fabrics for my furniture".

She finished there 10 years ago and went to Italy on a British Council Scholarship to study upholstery in Milan, before setting up business with Peter Busson, a fellow-RCA student of environmental design.

These days, in a new studio in Hoxton, east London, Brenda Saunders excels a confidence boost of successful creations, such as a chair which sold by the score and - going into production this month - a space-saver bed for Sleepceze. Made of steel aluminium, with plastic feet and wooden slats, it is intended for home and for contract use, as in hotels.

She has benefited directly from government cash invested in the Design Council for Industry, which has enabled manufacturers to experiment with new products.

Brenda is grateful that the Government is backing design and is enjoying the chance to do her own thing - or rather, with Peter Busson, to produce commercially viable domestic furniture, from a work-station with a bed on top and cupboard to the side (ideal for the bedsit) to a larger desk with VDU on a swivel.

Now the Saunders partnership is branching out, taking on an architect and graphic artists.

Where should you begin in 1986? Choosing a relevant course is the first priority. Settings range from universities, polytechnics and other colleges of further education to manufacturers' training schools, with courses homing in on areas from craft to industrial design. The London College of Furniture, which is vocationally based, having good contacts with industry, takes students from 16 to 60 full-time or part-time.

Career advice is available from the British Furniture Manufacturers Federation, the Design Council, colleges and private schools. Send SAE, preferably self-sealing, for a list to Special Projects (furniture), *The Times*, 1, Pennington Street, Wapping, London EL.

Posts

SHIPLAKE COLLEGE BURSAR and CLERK TO THE GOVERNORS

The above position will become vacant on May 1st 1986. The College, which has 342 boys, aged 13-18, is a member of G.B.A. and the current Bursar of L.S.B.A.

Applicants, who should be experienced financial managers, should write to: The Secretary, Shiplake College, Henley on Thames Oxon RG9 4BW

ROSSALL SCHOOL HEAD The Headship will become vacant in September 1987 with the retirement of Dr. J. Sharp, who, like his predecessors, has been a member of HMC.

GERMAN EXTENSIVE COURSE At the Principal, Ashbourne, Leicestershire. For details, contact: The Principal, Ashbourne, Leicestershire, Leicestershire, Leicestershire, Leicestershire. Tel: 01-533 5555

SIBFORD SCHOOL offers A SIXTH FORM WITH A DIFFERENCE One and two year courses are available for students who want a more career based course than 'A' Levels. We offer CPVE - the new post-16 qualification, a pre-Foundation Course in Art or access to the local Technical College for Business Studies and other B.Tec Courses while living in school as a boarder.

CLAYESMORE SCHOOL Dorset HEADSHIP The Council of Clayesmore School invites applications for the position of Head following the appointment of Mr. M.P. Hawkins to St. Anne's, Wimborne.

DAUNTSEY'S SCHOOL (Founded 1543) West Lavington, Devizes, Wiltshire SN10 4HE H.M.C. fully co-educational boarding and day school. Pupils aged 11-18. 190 in Vth form. Special link with Lavington (Comprehensive) School

Required for 1st September 1986 SENIOR MISTRESS A new post with particular responsibility for the welfare of the girls; approximately half the pupils are girls.

HEAD OF CRAFT, DESIGN, TECHNOLOGY (Scale III) A new post; new design/technology centre, opening in September 1986

MATHEMATICS TEACHER Full-time graduate to teach at all levels, from 11+ to Oxbridge entrance. Courses mainly SMP; high proportion of Vth form work in a friendly and successful department.

MODERN LINGUIST Full-time graduate to teach German and French from 11+ to Oxbridge entrance. New courses being introduced: link with Ecole des Academies, Le Havre.

HEAD OF PHYSICAL EDUCATION New Sports Hall 1980. Heated indoor swimming pool (25m, 5-lane) opened 1985. Good facilities for all major and many other sports (boys and girls). Physical Education is taught to all pupils.

Full details of any of the above posts (Candidates' School details in above) please contact: The Headmaster, Clayesmore School, West Lavington, Wiltshire, SN10 4HE. Telephone: 01300 811 2446.

UNIVERSITY OF OXFORD Research Office in Nuclear Physics The Department carries out research in nuclear and particle physics and has 31 research groups. It is currently recruiting research officers. Applications should be sent to: The Director, Research Office in Nuclear Physics, Department of Physics, University of Oxford, Parks Road, Oxford OX1 3JF. Tel: 01865 275267

UNIVERSITY OF OXFORD Research Office in Nuclear Physics (Continued) The Department carries out research in nuclear and particle physics and has 31 research groups. It is currently recruiting research officers. Applications should be sent to: The Director, Research Office in Nuclear Physics, Department of Physics, University of Oxford, Parks Road, Oxford OX1 3JF. Tel: 01865 275267

UNIVERSITY OF LIVERPOOL Chair of Biochemistry Applications are invited for a Chair of Biochemistry in the Department of Biochemistry. The Chair will become vacant in October 1986 under the leadership of Professor J. C. C. Watt, F.R.S., currently holder of a S.E.R.C. Lectureship in Biochemistry from 1985 to 1988. The Department has an excellent international reputation and attracts considerable research funds. Applications should be sent to: The Director of the Department of Biochemistry, University of Liverpool, 697 GB, Chester, Merseyside. Tel: 0151 709 211

UNIVERSITY OF LIVERPOOL Chair of Pure Mathematics Applications are invited for a Chair in the Department of Pure Mathematics. The Chair will become vacant in October 1986. The Department has an excellent international reputation and attracts considerable research funds. Applications should be sent to: The Director of the Department of Pure Mathematics, University of Liverpool, 697 GB, Chester, Merseyside. Tel: 0151 709 211

NUFFIELD COLLEGE Oxford OX1 1NF POLITICS or SOCIOLOGY The College intends to proceed to the election of an Official Fellow in Politics or Sociology tenable from 1 October 1986, or a later date to be arranged. Applications are invited from men and women whose interests lie within these subjects. The College does not define them narrowly, but is particularly interested in candidates able to link both. Official Fellows engage in research and supervise graduate students. Particulars from the Warden, to whom applications, stating qualifications, research interests, and three referees should be sent by 15 March 1986.

UNIVERSITY OF LIVERPOOL Chair of Pure Mathematics (Continued) Applications are invited for a Chair in the Department of Pure Mathematics. The Chair will become vacant in October 1986. The Department has an excellent international reputation and attracts considerable research funds. Applications should be sent to: The Director of the Department of Pure Mathematics, University of Liverpool, 697 GB, Chester, Merseyside. Tel: 0151 709 211

UNIVERSITY APPOINTMENTS

WEBSTER UNIVERSITY IN EUROPE Webster University of St. Louis, Missouri has established highly successful branches in Geneva, Vienna and Leiden. They offer American B.A., M.A., and M.B.A. degrees in management, computer studies, international relations and related fields, through daytime and evening courses for working and full-time students of all nationalities.

Classes will start at the new Webster branch in London on October 27, 1986 and Webster is now recruiting to head this branch in

DIRECTOR, LONDON The ideal candidate will have a doctorate, will be a highly-motivated self-starter who wishes to build into a major institution a branch of an American university abroad, has experience in an American university and experience in Britain, and is or has been a manager.

UNIVERSITY OF STIRLING CENTRE FOR SOCIAL WORK RESEARCH Senior Research Fellow Applications are invited from well qualified social science graduates with substantial experience of applied research in social work.

UNIVERSITY OF STIRLING Lecturer in Sociology Applications are invited for a Lectureship in Sociology in the Department of Sociology. The holder will be responsible for the teaching of Social Statistics, Sociology, and Social Research Methods.

UNIVERSITY OF STIRLING Lecturer in Health Services Research Applications are invited for a Lectureship in Health Services Research in the Department of Health Services Research. The holder will be responsible for the teaching of Health Services Research, Health Statistics, and Health Services Management.

UNIVERSITY OF LIVERPOOL Chair of Pure Mathematics (Continued) Applications are invited for a Chair in the Department of Pure Mathematics. The Chair will become vacant in October 1986. The Department has an excellent international reputation and attracts considerable research funds.

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THE UNIVERSITY OF SHEFFIELD

DEPARTMENT OF CONTROL ENGINEERING DEPARTMENT OF ELECTRONIC AND ELECTRICAL ENGINEERING

As part of the Engineering and Technology Programme, the UGC has supported a major expansion of the Department of Control Engineering and the Department of Electronic and Electrical Engineering at the University of Sheffield. An additional 60 undergraduate places are available from October 1986 on the B.Sc. degree course in Information and Control Engineering which is jointly administered by the two Departments.

Substantial resources will be available to support this development: appropriate levels of additional staffing will be provided together with funds for new equipment. The University has recently acquired substantial resources to support the development of its research in control and automation, and the University's newly established Institute for Information Technology to add funds in excess of £1 million have been allocated by the UGC for a new building.

NEW LECTURESHIPS Applications are invited for four posts of Lectureship (form August 1986) Sustainable areas of expertise include:

UNIVERSITY OF KENT AT CANTERBURY

LECTURE IN ENGLISH AND AMERICAN LITERATURE Applications are invited for a half-time Lectureship in English and American Literature from 1st October 1986. The successful candidate will be expected to have experience in teaching in the field of African and Caribbean Literature.

UNIVERSITY OF DURHAM DEPARTMENT OF CHEMISTRY

ASSOCIATE RESEARCH ENVIRONMENTAL RISK ASSESSMENT Applications are invited from interested and experienced scientists to work with Professor J.E.J. Roberts, FRS, and other members of the Department of Chemistry. The successful candidate will be expected to have experience in the field of environmental risk assessment.

UNIVERSITY OF DURHAM CHAIR IN GEOLOGY

Applications are invited for the Chair in Geology in the Department of Geology. The successful candidate will be expected to have experience in the field of geology and to be able to contribute to the teaching of geology at the University.

UNIVERSITY OF NEWCASTLE UPON TYNE DEPARTMENT OF MECHANICAL ENGINEERING

LECTURER Applications are invited for a post of Lecturer in Mechanical Engineering. The successful candidate will be expected to have experience in the field of mechanical engineering and to be able to contribute to the teaching of mechanical engineering at the University.

UNIVERSITY OF BRISTOL

Further particulars may be obtained from the Registrar, The University of Bristol, 37, College Street, Bristol, Avon, Bristol, G1 2JL. Tel: 01272 880000

Prince calls for industry links

The Prince of Wales yesterday urged Britain's businessmen to develop closer links between industry and the local community. "The power for good of partnership, on politically neutral ground, between businessmen and others in the community, has been proved time and time again", he says.



The Prince of Wales with Mrs Barbara Sinatra, wife of the singer, who presented the trophy after a polo match in Indio, California, yesterday.

The Prince, who is President of the Business in the Community project, suggests that "serious consideration" should be given by companies to allocating a percentage of pre-tax profits to community projects. "Writing in the BIC's newsletter he says: 'Social involvement is much more than a matter of money, but money is nevertheless the best single measure of commitment.'"

Churchill bows to Bill protest

Obscenity 'laundry list' replaced

Mr Winston Churchill, Conservative MP for Davyburne, has made changes to his Bill designed to extend the scope of the Obscene Publications Act after criticism by broadcasting chiefs. The amendments tabled by Mr Churchill in his private member's Bill, now before the Commons, would replace the "laundry list" of items deemed obscene.

Village Voice Forging sick register figures to keep dispensary open

Victor Zorza, now returned to a small village in the Himalayas, tells how the local dispensary, threatened with closure, managed to carry on its valuable work with a little manipulation of attendance figures.

The Government doctor contemptuously refused to treat the patient, waving him off the porch. The young man walked away clutching his stomach, doubled up with pain. "Serves him right," the doctor said. "Maybe it will teach him a lesson."

The compounder was peering at the sores on the woman's head and was giving the doctor, who was sitting at the table, a running commentary on the progress of his examination. The doctor, scribbling busily, didn't even glance at the patient. His assistant wiped the sores with a piece of cotton wool, dropped it over the side of the porch where similar refuse littered the ground, and put out the woman's hand.

Today's events

Royal engagements Princess Anne opens the British Equestrian Trade Association Trade Fair at Sandown Park Racecourse, 10.30. Music Recital by Brian Galliford (tenor), The American Church in London, 79 Tottenham Court Rd, W1, 1.05-1.30.

Nature notes

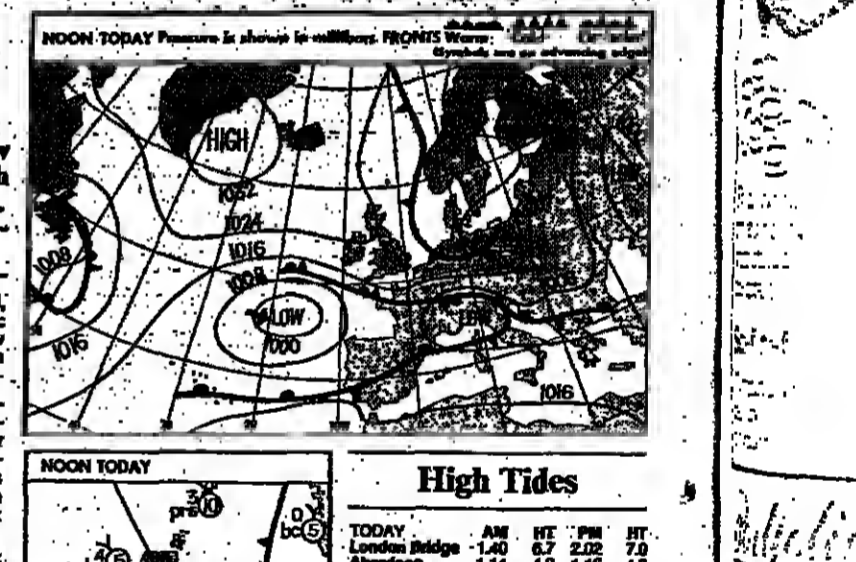
There have been some reports of mute swans frozen into the ice. In the Fens, stretches of flooded water have been kept open by the Wildfowl Trust, who have been feeding the herds of Bewick's swans on unwanted grain and potatoes given by local farmers.

Roads

The Midlands: M1: N bound exit and south only closed at junction 18 (A655) from 10.30 to 11.30. M6: C to B bound junction 2 (A1123) Dudley and Birmingham W and junction 3 (A585) Halesowen and Birmingham W. L to C bound, closed at junction 2 (A585) Halesowen and Birmingham W.

Weather forecast

Pressure will remain low over France, ridge of high pressure over NW areas. 6 am to midnight London, SE, central S England, East Angles, Midlands, S Wales: Sunny intervals, occasional snow showers, wind E, moderate; frost in places; max temp 2C (36F).



The Times Crossword Puzzle No 16,977

A crossword puzzle grid with numbered squares. Below the grid are the clues for the puzzle, divided into 'ACROSS' and 'DOWN' sections.

Anniversaries

Births: Winslow Homer, painter, Boston, Massachusetts, 1836. Death: Henry Cavendish, physicist, London, 1810; Robert Fulton, pioneer of steamboats, New York, 1815.

The pound

Bank of England 2.17 2.05 Australia \$ 24.35 23.35 Canada \$ 71.70 70.50 Denmark \$ 2.08 1.98

Lighting-up time

London 6.01 pm to 6.25 am Bristol 6.11 pm to 6.35 am Exeter 6.06 pm to 6.30 am Manchester 6.06 pm to 6.32 am

High Tides

Table listing high tide times for various locations including London, Bristol, Exeter, and Manchester. Columns include location, time, and tide height.

The week's walks

Today: Inside Dickens' London, Gray's Inn. Tomorrow: The River Thames, from Putney to Chelsea. Wednesday: The River Thames, from Putney to Chelsea.

Parliament today

Commons: Debate on children in care; British Railways (Statutory) Bill, second reading. Lords: Local Government Bill, committee stage; Incest and Related Offences (Scotland) Bill, report stage; Marriage Bill, report stage.

Bridge tolls

Fourth road bridge tolls go up next month for the first time in four years. Motorists will pay 40p, a 10p increase, and lorries £1, a 20p rise.

Bond winners

Winning numbers in the weekly draw for Premium Bonds prizes are: £100,000: 98CS 815884 (the winner lives in Portsmouth); £50,000: 13V1 134767 (Birmingham); £25,000: 5AB 274625 (West Yorkshire).

The Solution of Saturday's Prize Puzzle

No 16,976 will appear next Saturday. The solution to the crossword puzzle from the previous week is provided.

Portfolio

Three Portfolio rates are set. The Times Portfolio is a fund of public companies. The fund's performance is reported.

Parliament today

Commons: Debate on children in care; British Railways (Statutory) Bill, second reading. Lords: Local Government Bill, committee stage; Incest and Related Offences (Scotland) Bill, report stage; Marriage Bill, report stage.

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Large vertical advertisement on the right side of the page, featuring stylized text and graphics. The text is partially obscured and difficult to read, but appears to be for a product or service.